

Germany's Auto Industry to Slash 100,000 Jobs

By Brandon Mitchener

FRANKFURT — Germany's powerful automotive industry, struggling to recover from its worst crisis in years, said Wednesday it planned to slash its work force by almost 100,000 over the next several years.

ment as a desperate attempt to neutralize the effects of Germany's sagging international competitiveness. Martin Herzog, the association board member responsible for auto parts suppliers, which The strong yen could push Toyota Motor this year to its first loss. Page 9.

industry's post-reunification peak in July 1991, the latest forecast calls for a 12 percent to 15 percent reduction to about 600,000 workers at a time when Germany is saddled with its highest unemployment in more than 40 years.

cedes-Benz AG, a flagship of German industry, which said Tuesday it planned to cut 14,000 workers from its local payroll next year to save 1 billion Deutsche marks (\$599 million).

U.S. Penalizes China Over Missile Exports

High-Tech Sales Worth \$400 Million Will Be Denied Beijing for 2 Years

WASHINGTON — The United States imposed limited sanctions on China and Pakistan on Wednesday after concluding that China had sold advanced missile technology to Pakistan in violation of an arms-control agreement.

and Pakistani ambassadors of the U.S. decision.

The move was another setback to U.S.-Chinese relations, plagued by differences over human rights and other issues relating to China's weapons-export program.

U.S. law requires that sanctions be applied when the Missile Technology Control Regime is violated. It bars the transfer of missiles with a range of more than 185 miles (300 kilometers) or a payload of more than 1,100 pounds (500 kilograms).

"It's our estimate that somewhere between \$400 million and \$500 million a year of commercial activity will be affected by the sanctions that are imposed today," he said.

The M-11 has a range of about 190 miles and a payload of about 1,100 pounds. It's designed to carry a conventional warhead but can be reconfigured to carry a chemical or biological warhead.

Asked if American companies would be protected against their losses, Mr. McCurry said: "No. That's a significant cost that we pay but it reflects the seriousness with which we look at the issue of nuclear proliferation."

China did not sign the missile technology accord. But in November 1991, it promised to respect it. In return, then Secretary of State James Baker used his authority under the law to waive an earlier round of sanctions for alleged M-11 sales to Pakistan.

At issue is U.S. evidence suggesting that China transferred to Pakistan technology for the M-11 surface-to-surface missile. Its export violates the Missile Technology Control Regime, according to the United States.

Richard Brecher, of the U.S.-China Business Council, said China had an \$18 billion trade surplus with the United States last year. The net effect, he said, is to worsen the trade imbalance.

In Pakistan, a Foreign Ministry spokesman, Munir Akram, said Pakistan bought short-range missiles from China, but not the M-11s. He did not say whether Pakistan had purchased M-11 missile technology.

He said the U.S. company most affected probably would be Hughes Aircraft, which exports satellites that are launched on Chinese rockets.

Pakistan already is prohibited from receiving most U.S. aid because of legislation barring assistance to countries working to develop a nuclear weapons capability.

President Bill Clinton in May granted a one-year extension of China's most-favored nation trade status, but conditioned future extensions on improvements in China's human-rights record and adherence to arms-control guidelines.

Officials said part of the U.S. case against the two countries was based on satellite photographs taken of a Chinese shipment that arrived last year at the Pakistani port of Karachi.

The administration is concerned that China is trying to sell ingredients for chemical weapons to Iran. A Chinese vessel thought by U.S. officials to be transporting such materials is heading for a Saudi port. China has agreed to permit inspection of the cargo.

Intramural Squabbles Paralyze Russia's Government

By Stephen Erlanger

MOSCOW — The spectacle of senior Russian officials hurling mud at one another, alleging corruption without evidence and citing documents that they refuse to release, is undermining the already weak authority of the state.



ATONEMENT IN WARSAW — President Boris Yeltsin of Russia kissing a wreath he laid Wednesday at a monument to 4,000 Polish soldiers who were murdered in Katyn forest during World War II. He said he would not object if Poland decided to join NATO. Page 2.

Russia is paralyzed by open conflict between the executive and legislative branches and the inability to agree on a new constitution or new elections. But if the warfare were merely between President Boris N. Yeltsin and parliament, led by the speaker, Russian I. Khasbulatov, the current battle would have the somewhat tedious character of the recent past.

The current fighting, however, is also vivid within the government itself, with a senior minister accusing his colleagues of driving him from office because of their own connections

NEWS ANALYSIS

with illegal businesses. That charge was leaped upon gleefully by opposition newspapers and politicians like Mr. Khasbulatov and Vice President Alexander V. Rutskoi, who have been tossing corruption charges at the government for months. (Page 2)

While the politicians are squabbling, the authority of the government itself is ebbing.

Fundamental decisions are avoided or postponed. The government is split over economic policy. Huge, rich regions of the Russian Federation are going their own way. Inflation is rising again — to 7.1 percent for the week ending Aug. 10, the highest weekly figure since the panic in January over hyperinflation. Real structural reform is postponed, drawing out the economic pain of transformation.

But instead of resolute leadership, a tired and cynical population has been treated to an extraordinary bevy of contradictory accusations against the heart of the government itself.

In the last week, a presidential commission on corruption has made unsubstantiated accusations against Mr. Rutskoi, who denies them. It accused the country's chief law officer, Valentin G. Stepankov, of plotting the murder of a commission member on the telephone with a shadowy ex-KGB official living well in Canada; they deny it.

At the same time, the commission admitted that the Foreign Trade, Economics and Energy ministries were all under investigation for corruption.

Four senior ministers have already resigned or been dismissed. Earlier this month, Viktor P. Baranikov, the head of the Security Ministry, the domestic part of the former KGB, was dismissed, allegedly for corruption. So was the deputy minister of economics, Yuri Otkhovtsov. The information minister, Mikhail Fedotov, quit under pressure from another Yeltsin ally, Mikhail Poltoranin, who wants a more rigorously controlled press.

But no resignation has done more damage than that of the 32-year-old minister of foreign trade, Sergei Y. Glaznev.

Mr. Glaznev, regarded as a market-oriented technocrat, was on his way to Africa on an official visit when his plane was recalled to

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In U-Boat's Haul, No Treasures Yet

Salvagers Find 'a Mess' as Vessel Is Disarmed Off Denmark

Compiled by Our Staff From Dispatches

COPENHAGEN — Explosives experts began dismantling torpedoes on a recovered World War II German submarine on Wednesday, while salvagers, hoping to find Nazi documents and treasure, found wire and condoms.

officials on board and no treasure, as historians have speculated.

torpedoes, each with 280 kilograms (620 pounds) of explosives, experts said.

"It's a hell of a mess down there," said a spokesman for the salvage group, Jonathan Wardlow. "Things are just anywhere. And it stinks after being filled with sea water and clay for 48 years."

But the salvagers have not been discouraged, although the objects fished out of the interior so far have not been of great value.

Captain Linnemann and his crew were working to remove anti-aircraft shells from the vessel, which is drying out on a barge.

The submarine was sunk by a British bomber on May 5, 1945, the day after Nazi troops surrendered in Denmark, northern Germany, Norway and the Netherlands. Three of the 52 crew members died.

"Some of the first artifacts we discovered on board were 100 bottles of German wine, a gross of condoms, a splendid pipe and a pair of binoculars, all remarkably intact," Mr. Wardlow said.

"It's a risky and slow job," said Mr. Wardlow, adding that all explosives would be removed by Friday.

Surviving crewmen, who witnessed the raising of the submarine from the Kattegat seabed on Monday, said there had been no senior Nazi

He said historians advising the salvage company, Smit Tab, confirmed that a small supply of condoms was a standard part of the inventory on German submarines during the war.

Historians have speculated that the submarine, like some other German submarines seized at the end of the war, might have contained secret documents, valuable goods or fleeing Nazi leaders.

A Danish Navy explosives expert, Captain Finn Linnemann, entered the 77-meter (255-foot) U-534 submarine on Wednesday to remove detonators from torpedoes. That type of U-boat was routinely armed with 16 to 22

may have been hidden in secret compartments or in food cans. One historian said the submarine was carrying 16 tons of food instead of the

See U-BOAT, Page 5

Kiosk

Again, Cambodia Turns to Sihanouk

PHNOM PENH (WP) — After weeks of deliberations on a constitution, Cambodia's recently elected political leaders have reached a consensus on a proposal to restore the monarchy and again offer the throne to Prince Norodom Sihanouk.

The leaders of the two main political parties are scheduled to fly next week to North Korea, where Prince Sihanouk is living, to seek his approval. An alternative, if he rejects it, is a draft constitution that calls for an elected head of state.

Dow Jones	Up 13.13
Trib Index	Down 0.09%

The Dollar: New York 1.894, London 1.5793, Paris 1.4815, Frankfurt 1.4988, Yen 105.00, Hong Kong 6.8446

General News

NASA officials wait for a call from the wayward Mars Observer. Page 3.

As rural Italy burns, the nation wonders who is making the money. Page 5.

Japan's prime minister ruled out further compensation for war victims. Page 4.

Business/Finance

Belgium should sever the franc-mark link, economists said. Page 11.

Bosnia Takes UN to Court Over Partition

By Stephen Kinzer

THE HAGUE — With less than a week remaining before the government of Bosnia-Herzegovina decides whether to accept the country's division into three ethnic ministates, lawyers for Bosnia asked the World Court on Wednesday to rule that any such division would be "null and void."

They also asked the court to declare that the United Nations arms embargo against Bosnia is illegal.

If the court agrees to take these steps, it would in effect be overruling the UN Security Council, something it has never done before. A decision could come within two weeks.

The court, which is the UN's principal judicial organ, ordered the government of Yugoslavia in April to refrain from all acts of genocide

A UN aid convoy reaches Mostar after being blocked by Croat protesters. Page 2.

against Bosnia and to stop aiding the Bosnian Serb army. At Wednesday's session, lawyers for Bosnia asserted that Yugoslavia had "paid absolutely no attention whatever to the orders of this court and proceeded to violate each and every measure ordered by the court."

"The court is now faced with the imperative for more direct and resolute measures," said Mohammed Sacirbey, Bosnia's chief delegate to the United Nations.

Mr. Sacirbey said that his government was participating in UN-sponsored peace talks in Geneva only because it was under "unprincipled pressure" to do so. Mediators have asked the Bosnian government and its Croatian and Serbian rivals to accept the plan by Aug. 30.

"If we do not participate, we are then labeled

See BALKANS, Page 5

From Florida to Tokyo, the Cry Goes Up: 'Buy Shoes, Save a Gator'

By William Booth

CHRISTMAS, Florida — It is a long way from Froehlich's gator farms to the floor of the Tokyo Stock Exchange. But in the brave new world of global economics and conservation, Mr. Froehlich's alligators and Japanese stocks are inextricably, if weirdly, linked.

buy an alligator handbag," said Don Ashley, a consultant for the Florida Alligator Farmers Association.

The mere fact that an industry has been built around alligators is remarkable. In the early 1970s, the federal government listed them as endangered.

The price of alligator skins is in free-fall. The immediate reason is that the Japanese do not buy alligator handbags during a recession, and so alligator farms are going bankrupt. A third of them may go under in Florida and Louisiana.

"Giving the gator a value gives their habitat a value," Mr. Ashley said. "It gives society another good reason not to dam and dike and drain the swamps. Look, Florida has lost half its wetlands. Half. And it's not going to save the rest unless there's a good reason."

"The populations were severely depressed in some areas," said Nick Wiley of the alligator management section of the Florida Game and Freshwater Fish Commission. "But we questioned that they were truly endangered. There were still good numbers of alligators in remote areas. By the mid-1970s, we had alligators again coming out of our ears, so to speak."

But that is not all. Environmentalists say the story of the rise and fall of the gator industry may illustrate a seemingly contradictory point: To save a wild species, such as the American alligator, society might have to decide that killing them is a good idea.

The best reason to save something, Mr. Ashley says, is money.

Many Americans, however, mistakenly believe that the giant amphibious reptiles are still endangered. But alligators are doing so well in Florida that they have become a nuisance in many settings.

"It's a hard concept to get across, but if people in America want to protect the alligator, the best thing they can do is

Environmentalists agree.

Not a month goes by without some new lurid report of a rogue alligator consuming someone's poodle, or worse. Trappers call the canals that crisscross Florida "alligator highways."

"There's little question in our minds that controlled hunting and ranching has helped provide incentives to protect both the species and habitat," Ms. Hemley said.

In June, a Little League canoe trip on the Loxahatchee

River near West Palm Beach ended in tragedy when an 11-foot (3.3-meter) alligator snatched Bradley Wedenhams, 10, by the head, held him under the water and killed him as his father struggled to free him.

Rogue alligators are shot and skinned, and all populations are being managed by the state, which allows limited hunting and egg collecting.

Gator farmers are a colorful bunch. In Florida, some are reformed poachers. Mr. Froehlich, a self-described "outlaw of the swamps," said he played hide-and-seek with game wardens for years, hunting alligators at night and selling the illegal skins on the gray market. He was never caught.

Mr. Froehlich said he had agreed to stop his nocturnal adventuring if the state would allow him to raise alligators on his farm, begun in the 1960s. Today he is called "the father of alligator ranching" in Florida.

During the late 1980s, gator ranching was booming, and

See HIDES, Page 5



150 من الازل

Lord Kadoorie Is Dead at 94 Hong Kong Tycoon Had Close Ties to China

The Associated Press HONG KONG — Lord Kadoorie, 94, the last of Hong Kong's fabled taipans — the tycoons who transformed the British colony from barren island to economic jewel, died Wednesday.



Lord Kadoorie: By his assessment, one of the last Victorians.

Despite Apology, Japan Rules Out Further War-Victim Compensation

TOKYO — Morihiro Hosokawa, the first prime minister to apologize for Japan's World War II aggression, ruled out Wednesday any further compensation for war victims.

Spanish Town Has Its Day In the Sauce

BUNYOL, Spain — People hauling tons of overripe tomatoes at each other, turned the town red on Wednesday in an annual tomato fight that drew a record 25,000 people.

Back in Soweto, Veteran ANC Fighter Feels 'Betrayed' by Lack of Support

By Keith B. Richburg Washington Post Service SOWETO, South Africa — Khotso Makhajane was only 15 when he went into exile to battle apartheid as a guerrilla fighter for Umkhonto we Sizwe, the armed wing of the African National Congress.

INTERNATIONAL CLASSIFIED

Malaysia POWERHOUSE OF THE 90s A MAJOR NEW CONFERENCE ON TRADE AND INVESTMENT OPPORTUNITIES IN MALAYSIA KUALA LUMPUR - NOVEMBER 14-16 - 1993

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THE ISSUES THE SPEAKERS The conference will provide an up-to-the-minute overview of Malaysia's economy with a particular focus on opportunities for foreign investment. Sectors to be covered will include: Infrastructure and Construction Power Generation and Telecommunications High Technology and R&D Emerging Securities Markets Financial Services Resource-Based Industries and Agriculture Petroleum and Gas Transportation Equipment

Who Wants Italy To Keep Burning? Police Suspect Half of Fires Were Set by Hired Arsonists

By Alan Cowell
New York Times Service
TREVIGNANO, Italy — All through a long, hot summer, the fires have come, crackling through Italy's byways, marching like bright armies...

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TREVIGNANO, Italy — All through a long, hot summer, the fires have come, crackling through Italy's byways, marching like bright armies...

The flames that are devouring Italy are the result of a destructive, criminal plot, said Emanuele Sanna, a Sardinian official charged with defending the environment.

Some, like the brothers Michele and Aniello Fucito, are accused of setting a fire to settle a long-running land feud on the Sorrento peninsula near Naples...

BALKANS: Bosnia Challenges UN on Partition

Continued from Page 1
as uncooperative by those who have the very responsibility to stop the crime, Mr. Scariy asserted.

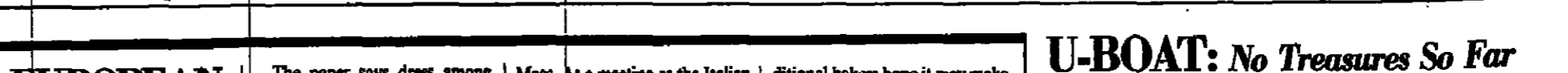
In its official application to the court, Bosnia asked that Yugoslavia and its leaders, particularly President Slobodan Milosevic of Serbia, be ordered to "immediately cease and desist from any and all efforts, plans, plots, schemes, proposals or negotiations to partition, dismember, annex, or incorporate the sovereign territory of Bosnia and Herzegovina."

HIDES: 'Buy Shoes, Save a Gator'

Continued from Page 1
the industry was being compared to a living gold mine. Prices reached \$60 a foot for wild alligator skins and \$180 a foot for farm-raised.

What Went Down

Layout of a typical U-boat from 1942. Length: 77 meters (255 feet). Weight: 1,500 metric tons.



EUROPEAN TOPICS

A Time and a Place For Going Natural

The French may have a casual attitude about nudity on the beach, but skimpier dress in the city is another matter.

Around Europe

There is interest in Germany in mounting energy-generating wind propellers atop the pylons that support high-tension wires.

Mob in Black Township Kills U.S. Student Near Cape Town

CAPE TOWN — A white American postgraduate student was dragged from her car by a 100-strong mob in the Gugulethu black township near here and stabbed and beaten to death Wednesday.

RUSSIA: Political Squabbles Undermine Authority

Continued from Page 1
Moscow. His ministry, which handles much lucrative business, is a regular target for corruption charges, and he had just ordered a sharp cut in the number of companies authorized to export oil, oil products and nonferrous metals.

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U-BOAT: No Treasures So Far

Continued from Page 1
usual 13 tons. But according to a former officer on the vessel, the salvagers will find nothing special.

The salvage experts then worked to flush mud out of the vessel after it had been lifted out of the water.

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Arabic text at the bottom of the page: مركزنا من الاصل

Herald International Tribune

Published With The New York Times and The Washington Post

U.S. Weapons for Saudi Oil

Remember when economists stayed up nights worrying about how the world would ever be able to recycle Saudi Arabia's huge petrodollar surpluses? Today's worry in Washington is about the dangers that flow from Saudi Arabia's equally huge deficits. Financial reserves that less than a decade ago totaled \$121 billion have melted away, spent on lavish social programs, eccentric development schemes, subsidies to domestic and foreign friends of the Saudi royal family — and weapons. Since the Gulf War, the largest share has been going to weapons, especially those bought from the United States.

NAFTA and 'One World'

When the late Wendell Willkie, Franklin Roosevelt's electoral foe but philosophical friend, wrote his book "One World," his purpose was to defend internationalism and further the cause of the Allies in World War II. Inadvertently he also gave the farther reaches of the American political right one of its favorite slogans. To be accused of "One Worldism" by the minority of right-wingers given to a dark view of the world is to be cast into a nasty conspiracy intent on creating some sort of dictatorial world government. The death of communism has done less than might have been expected to still such fears.

Other Comment

China's Corruption Fight

Corruption has again raised serious concern in China, and rightly so. The pro-democracy protests in 1989 were fueled not only by spiraling inflation but by public anger over malpractices by government officials and Communist Party members. Over the past two years, kickbacks, bribes, embezzlement and other misdeeds have resurfaced, raising fears of instability. Aware of the gravity of the situation, the government launched an anti-corruption drive last week, pledging to punish officials no matter how highly placed they were. The move follows a series of scandals indicating that corruption has reached new heights. That it is taking place on a large scale is clear from reports that some 50,000 government and party officials were reprimanded or punished over various charges of corruption in the first half of this year. Corruption is also rampant in the military.

will soon resurface. Unless its causes are addressed, corruption will continue to pose a threat to the country's stability.

Cynicism Over Sarajevo

Is it right to save a horribly wounded child from the inferno in Sarajevo and forget his father who lies alongside in agony? And why does a government, shocked by its own indifference after seeing Irma Hadzimiratovic's dying eyes, send a plane to save 20 other children and get angry protest when the plane returns with 13 critically wounded adults and only seven children? It seems that there is no limit to the cynicism with which half of Europe has managed to remove the war in ex-Yugoslavia from its conscience. And now this war has become a kind of supermarket in which countries and newspapers think they can choose the wounded who will most touch voters.

An Alarm in the Amazon

The massacre of Yanomami Indians in Brazil should be a wakeup call to the growing violence along the Amazon. Searching for riches or just land to farm, outsiders have visited brutally upon these natives — whose tribes were "discovered" in the 1970s. Restocking of a police raid, illegal miners shot men and slit the throats of women and children. The Brazilian government appears to be trying to help, but it should act more forcefully. Growing pressure from the international community could make a difference. It's shocking that the response is not more vehement. The line between civilization and barbarism has been crossed.

Since When Is It the President's Job to Sell Airplanes?

By Hobart Rowen

WASHINGTON — George Bush went to Tokyo early last year, accompanied by top auto executives from Detroit, and tried his best to sell their cars and auto parts. For this he was subjected to ridicule not only by the Japanese but also by Americans who are uncomfortable when their president acts as a sales rep for private companies.

ton doesn't have to make outright promises," Mr. Kanovsky said. "The Saudi monarchy was saved by America during the Persian Gulf War," he added. "If he has to pay more than for the Airbus, it's a small price to pay." As always, there is no free lunch.

Clinton's appeal to Fahd marks a new level of U.S. intervention on behalf of commercial industry.

If King Fahd is reassured of military protection, he pays a premium for his passenger planes. If President Clinton's intervention preserves jobs in the American aircraft industry, he reinforces the U.S. commitment to defend the Saudi monarchy, if Mr. Kanovsky has it right. An administration official who would not

appeal to King Fahd — confirmed by both the White House and Saudi officials — marks a new level of American government intervention on behalf of commercial industry. It is an old game for others, notably in France, where for many years the government and the business community have been in bed together.

er. While lesser American officials had been lobbying the Saudis to give their big jet order to American companies, French President François Mitterrand was personally involved on behalf of the European consortium that produces the Airbus. But that does not make it acceptable for America. U.S. business leaders who once frowned on an activist role for government are now willing to accept a "partnership" with Washington. Thus the Clinton-Fahd deal is one more boost for the "results-oriented" enthusiasts in the Democratic Party who have lost patience with traditional free trade approaches.

State Governments Should Mind Their Own Business

By E. J. Dionne Jr.

WASHINGTON — Now it can be told: State governments all over the United States are engaged in bribery on a massive scale.

This cash-for-jobs scandal is perfectly legal. It involves huge tax breaks and subsidies for companies that use the threat of moving or opening elsewhere to extract every last penny from taxpayers. The governors who pay the biggest bribes (or, if you prefer, are in most abjectly to this extortion) are praised as far-sighted advocates of "job creation" and "economic development." All right, none of this activity falls into what is conventionally described as a "scandal." But that may be the largest scandal of all. While we Americans are rightly outraged by illegal payoffs and the illegal use of government funds on behalf of private interests, we have spent the last 20 years or so countenancing "incentives" that amount to a perversion of both the free enterprise system and democratic government.

build an assembly plant in their state, Kentucky officials offered an estimated \$140 million in incentives. In Mr. Edgar's Illinois, local and state officials eager to keep the headquarters of Sears, Roebuck offered to put up \$61 million to build highways and improve the site. Mr. Edgar is glad Sears stayed; it had a long history of creating jobs and paying taxes. But there are limits to how often states can make such deals without declaring their tax systems voluntary. There are philosophical issues in this battle. They are rooted in the success that advocates of supply-side economics had in selling the idea that there was no problem, economic or social, that could not be solved by cutting taxes on someone. Supply-siders were at least consistent. They favored across-the-board income and capital gains tax cuts, not individually tailored breaks. But the view that the only thing government can do to spur growth is to cut tax rates ignores the practical things that governments have always done to create wealth and help communities prosper.

Young, Gullible and Taught to Hate

By Morris Dees

MONTGOMERY, Alabama — The white supremacist movement in the United States wears a new and terrifying face. You could see it in the photographs that ran with hundreds of newspaper articles in July about a plot foiled in Los Angeles to murder Rodney King, kill worshippers in a black church, bomb Jewish leaders and synagogues, and assassinate black entertainers and sports figures. The police say that this heinous scenario, intended to ignite a race riot, was masterminded by a 20-year-old man — a former Eagle Scout turned neo-Nazi. The news photos did not show a sullen outcast with a shaved head and bomber jacket or a beer-bellied, shotgun-toting Klansman. He is, in the words of one newspaper, "the epitome of the All-American boy." But he is, in fact, a self-described "skinhead," a member of the growing white supremacist movement that is much more sophisticated than most Americans realize.

Resistance (known as WAR) and the Church of the Creator, have been recruiting skinheads for several years. Members of both groups figured prominently in the recently uncovered race war plots on the West Coast. National leaders of both groups denied any knowledge of the scheme. While the law enforcement agencies involved in investigating this conspiracy are to be commended, it will take more than arrests to stop skinhead violence. Until recently, skinhead violence was random and impulsive, mostly street crime targeting the nearest minority person. But their international counterparts have waged terrorist campaigns against immigrants and other minorities for at least two years. It may only be a matter of time before another race war scheme is hatched by American white supremacists. We at the Southern Poverty Law Center fight white supremacists with civil suits. In 1990 we sued Tom Metzger and his White Aryan Resistance over the beating to death of a black man in Portland, Oregon. The jury found the WAR leader liable and awarded \$12.5 million to the victim's family. But, as important and gratifying as such victories are, they do not halt the hate. The nation today is torn with bigotry and racial strife. Hate crimes are at an all-time high, and there is too much loose talk that blames immigrants and non-whites for the economic difficulties that the country faces at the end of the Cold War.

This Isn't the '60s, but Who Knows?

By Bob Herbert

NEW YORK — Each decade in the memories become more vague, but with the release of new papers on the Kennedy assassination and this weekend's 30th anniversary observance of the March on Washington, 1963 is in the news. Roger Staubach, the Navy quarterback, was supposed to have been on the cover of Life magazine that last week in November, but his photo had to be pulled and replaced by a portrait of the slain president. Daisy Bates, a civil rights leader from Little Rock, Arkansas, recalled in a recent magazine interview that she was the person scheduled to address the crowd at the Lincoln Memorial immediately after Martin Luther King's "I Have a Dream" speech. "They were applauding so wildly," she said. "No one could hear me. No one was listening to me. . . . At the end of my two minutes, I realized that no one heard a word I said." It was an extraordinary time. The transition from the '50s to the '60s was accelerating but was not yet complete. Miniskirts, flower children, the big Vietnam buildup, black power were all still in the future. In 1963 the baby boomers were in the early stages of their extended adolescence. They would be heard from shortly. The turmoil was already under way. The civil rights leader Medgar Evers was shot to death in Jackson, Mississippi. Four black girls — three teenagers and an 11-year-old — were killed when the 16th Street Baptist Church in Birmingham, Al-

abama, was bombed. And Americans were astonished by photos of a Buddhist monk who had set himself aflame to protest the regime of Ngo Dinh Diem in Saigon. Nevertheless it was a great time to be young in America. More youngsters than ever were graduating from high school and going on to college. The economy was surging. Jobs were plentiful. Political leadership was young and exciting and pointing toward a glorious future. America was putting men into space and sending young people abroad in the Peace Corps. Optimism ruled. Even the bloodshed of the civil rights movement was seen in a positive light. The victims were martyrs, the mourned but necessary casualties of the increasingly successful battle for justice and equality. When protesters looked arms and sang "We Shall Overcome," there was never any doubt in their minds that they would. You had to be weird in those days to believe that progress was not a permanent state of affairs. Thirty years later, young people still manage to be optimistic, but it's harder now. In 1993 you can come out of college laden with degrees and still have to struggle to find work. "I have to stay in my school, because there are no jobs available," says Jack Mortell, a senior at the University of Hartford, in Connecticut, who hopes to go on to law school. Still, when asked if he is optimistic, he replies, "Yes, very."

The Challenge of Covering Today's Inscrutable China

By Gerald Segal

LONDON — China has long been a difficult country to cover, but the nature of the changes there is making matters even worse. The reporting of China, much like China itself, needs to be modernized. To begin with, there are problems with unreliable data. William Pfaff argued on this page on July 26 that regular currency devaluations have meant that the dollar value of China's GDP has not increased much. But the IMF has argued that, based on calculations of purchasing power parities (PPP), China's economy is nearly three times the size we once thought. We are only now evolving more efficient tools for valuing economies in the developing world. The fact that Chinese growth is so concentrated in coastal regions and that regional leaders are locked in a struggle with Beijing about how much revenue they have to remit makes the problem of assessing data especially difficult. We have yet to modernize our ideas about such vital issues as China's defense spending. If it is correct, as Hong Kong China watchers suggest, that the enterprises owned by the armed forces produce profits equivalent to the official defense budget, and that the defense budget is half hidden in other parts of the state accounts, then PPP figures produce a Chinese defense budget in excess of \$40 billion and approaching the world's second largest. But before jumping to conclusions, consider the notoriously unreliable data from the arms trade. The Stockholm International Peace Research Institute and the U.S. Congressional Research Service have just released annual reports on arms sales, with the former ranking China as fourth largest in the world and the latter placing China virtually off the list of major suppliers. Unreliable reports and political manipulation of data make it impossible to be sure of any conclusion on China's arms export strategy. And all these wild stories about great Chinese arms imports from Russia are proving to be simply wrong.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1893: Rags and Cholera

LONDON — In the House of Commons yesterday [Aug. 25] Mr. Macdonald asked the President of the Local Government Board whether the prohibition of the importation of rags, enacted last year, was on Aug. 9 revoked, and if so what other precautions the Local Government Board proposed to take to prevent the spread of cholera and other noxious diseases. Mr. Fowler said that the order had been revoked, and in revoking it the board acted on the advice of the Medical Department. Mr. Macdonald asked if there had not been several cases of cholera since the revocation. Mr. Fowler said the department were aware of none.

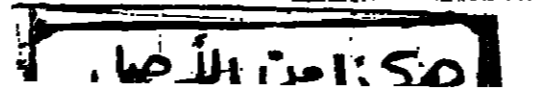
1943: Mombatten's Men

OTTAWA — [From our New York edition:] Lord Louis Mountbatten, forty-three-year-old leader of Great Britain's famed Commandos, has been named supreme Allied commander in Southeast Asia for the conduct of operations against Japan. He will have formidable forces under his command — American and Chinese as well as British, Indian and Canadian. A vast army has been training in India for months, thus clearing the way for shipments of military supplies to Generalissimo Chiang Kai-shek's forces. When the Burma blow will be struck is anyone's guess, but the monsoon season will not end until October, delaying it at least that much.

1918: Gorki Wants Out

AMSTERDAM — A despatch from Moscow to the West-Weekling, dated Aug. 24, says: Maxim Gorki, who has regained his health, is willing to relinquish the editorship of the "Novaya

Advertisement for International Herald Tribune. Includes contact information for Katharine Graham, Arthur Ochs Sulzberger, and other staff members. Also includes a small logo for the publication.



OPINION

Even the Teachers Don't Trust Public Schools

By George F. Will

SAN DIEGO — In November, California, frequent incubator of America's future, will conduct a vote eclipsing in importance last year's banal presidential choice. If passed, Proposition 174 will offer parents vouchers worth at least half the cost of educating a child in a public school (currently \$5,200) and redeemable as private school tuition. If the chosen school costs less than \$2,600, the saving can be used for subsequent grades, or for college.

Private schools often get better results (gauged by test scores and graduation rates) than public schools, but cost less per pupil than public schools. So the larger the number of Californians who would use Proposition 174 vouchers to choose private schools, the more the state would save. Furthermore, Proposition 174 would spur creation of schools at a time when California's burgeoning school-age population requires, if class sizes are to be maintained, creation of a 600-pupil school every day for 10 years.

education's existing semi-monopoly many parents have no alternative to public schools teaching actual "responsibility" (as defined by condom-pushing "experts"), environmental "responsibility" (as defined by people who think AI Gore is a scientist) and multicultural "sensitivity" (as defined by whatever racial, sexual or ethnic faction has captured the curriculum).

most politically aggressive union. At last year's Democratic convention about one-eighth of the delegates were NEA members. The California union tried to block a vote on Proposition 174 because "there are some proposals that are so evil that they should never even be presented to the voters."



Washington Post Writers Group

To Help You Brace for Re-entry

By Ellen Goodman

BOSTON — There was a Catekill comedian who used to tell a story about his first time away from home and home cooking. After a week in army boot camp his stomach started to feel funny. He was convinced that something was terribly wrong with his digestive system, and perhaps his entire body.

scioness that maybe the work ethic is not the same as the pleasure principle. It occurs to them that if labor was all it's cracked up to be, we wouldn't celebrate Labor Day with a day off; we would celebrate with overtime.

a sick building with windows that do not open and a thermostat that is seasonally dysfunctional, in order to make the environment consistently comfy and user-friendly for the mainframe computer.

LETTERS TO THE EDITOR

A Farewell to Arms

Aug. 6 passed almost unnoticed this year, although it marked 48 years since the first atomic bomb had wasted the Japanese city of Hiroshima and forever changed the world.

Moreover, exhausting trillions of dollars on militarism has created a world of inexcusable poverty and critical environmental problems left largely unattended. And yet today the plague of militarism continues to grow, as is evident from Bosnia to Angola.

through a strengthened and democratized United Nations. This requires that we advance from parochial nationalism, racism, religious separatism and other forms of tribalism, to act as responsible citizens of the world.

of the lessons. What is happening in the former Yugoslavia is making a grim joke of European unity. Europe must bear most of the blame, but it must be shared by all members of the United Nations.

So far, and after many meetings among the Muslim countries, the help provided by them is nothing compared with that of Western nations.

India has fought several major wars with Pakistan and is in breach of UN Security Council resolutions on Kashmir. More Indian-Pakistani wars are to be expected in future, and the Security Council might have to intervene.

Regarding "Questions Foster Left Behind Are Worth Pursuing" (Opinion, Aug. 13) by William Safire:

Letters intended for publication should be addressed "Letters to the Editor" and contain the writer's signature, name and full address. Letters should be brief and are subject to editing. We cannot be responsible for the return of unsolicited manuscripts.

It is long past time for us to take to the rooftops and shout, "Enough!" The perverted thinking that has militarized the planet cannot work for the 21st century.

Lessons of History
The League of Nations collapsed after it failed to act when Mussolini's Italy invaded Ethiopia. World War II followed the appeasement of Nazi Germany's aggression in annexing Austria and the Sudetenland.

East and West in Bosnia
I read with some amazement Ramzes Nassif's letter, "A Light on the Refugees" (Aug. 3).

India and the UN
The proposition that "India belongs in the UN Security Council" (Opinion, July 17) may be a suitable topic for debate in the secondary schools of that country.

MARTIN SALGADO, Makati, Philippines

MARC ST. JOHN, Paris

BOOKS

A MOUTHFUL OF AIR: Languages, Languages... Especially English

By Murray Burgess. 416 pages. \$25. Morrow.

Reviewed by Marie Arana-Ward

ACCORDING to Homer, "The tongue of man is a twy thing." And so it would seem in a world where the human race jabs at itself in more than 2,000 languages. From the thatched-roof shapones of the Brazilian rain forest to the noisy noodle shops of Tianjin, man's tongue over the millennia has produced a pandemonium of sound. And yet, although languages appear daunting in their diversity, they are also remarkable for their regularity.

Burgess began his career as a British Army lecturer on phonetics and has gone on to produce a prodigious body of work: 32 novels (among them, "A Clockwork Orange," 1962), countless musical compositions (full-blown symphonies as well as jazz), and 16 works of nonfiction on numerous subjects. Despite his polymathic range, however, Burgess is at heart a loyal laborer in the mines of linguistics, a tireless hunter of that fabled yet elusive faculty that separates man from beast.

politics and history have had a profound effect on languages. More often than not, linguistic change occurs because of trade, wars, conquests, alliances, natural disasters or migrations.

And in a 10-page survey, Burgess covers the great theoreticians. — Ferdinand de Saussure, Nikolai Trubetzkoy, Roman Jakobson, Claude Lévi-Strauss, Leonard Bloomfield and Noam Chomsky.

English, adds Burgess, has become like Chinese in that it has had to serve many spoken forms. The written word "hand," for instance, serves a multiplicity of communications from Brooklyn to Liverpool to Bombay.

English, adds Burgess, has become like Chinese in that it has had to serve many spoken forms. The written word "hand," for instance, serves a multiplicity of communications from Brooklyn to Liverpool to Bombay.

BRIDGE

By Alan Truscott

ASK yourself this question: What is the most unusual contract in bridge, disregarding doubles and redoubles? One answer is five no-trump. Another is one club. Impossible? Not quite, as the diagrammed deal shows. It occurred in the Green Point Pairs at the Eastern Regionals in Manhattan in May. This was played with table screens, and the West player, David Berkowitz, could see South but not the other two players. He deduced the strong one-club bid, in his method showing two suits, either both black suits or both red suits.

Berkowitz had to lead against one strong artificial club for the first time in his life. He selected a trump, the usual choice when partner has made a penalty pass of a double, and East won with the king.

and shifted to his singleton heart. South won in dummy and led the spade queen for finesse. This lost to the king and the defense took a heart ruff. East and West now led diamonds and hearts alternately, and South was helpless. East had scored tricks with all his five trumps and West had taken three diamond tricks and a spade trick.

These are quibbles, however, in a that struggles nobly to keep the study of linguistics alive. If Burgess means this to be "a gentle rap on the door of linguistic knowledge," he produces a more vigorous sound than that.

Marie Arana-Ward is on the staff of The Washington Post.

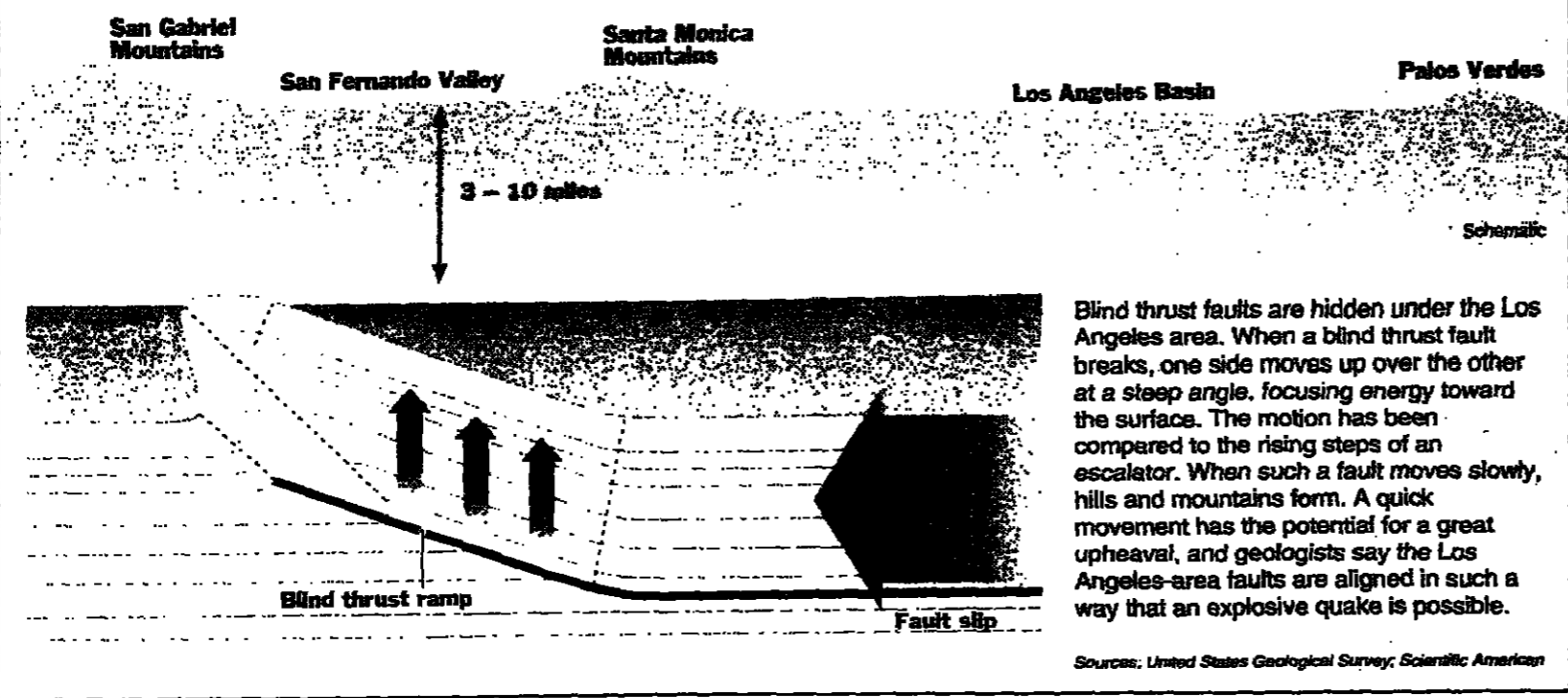
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HEALTH / SCIENCE

Escalating Pressure Under California Cities



Hidden Faults, a New California Peril

By Sandra Blakeslee
New York Times Service

LOS ANGELES — Buried deep beneath the freeways, shopping malls and luxurious homes of Los Angeles there lies a network of faults that could literally turn parts of this city upside down.

The faults are oriented in such a way that should they suddenly snap and produce a large earthquake, energy would be focused upward, moving like rockets fired from millions of submerged submarines. Objects and people directly overhead would be lifted into the air, momentarily weightless, as the earthquake waves shuddered past.

The faults are called blind thrusts. They are "blind" because they do not break through to the surface, and scientists cannot see them directly. They are thrusts because when they break, one side of the fault moves up over the other at a steep angle, focusing energy toward the surface. Mountains, hills, folds and scarps are formed in the process.

Thrust faults tend to focus energy directly toward the surface, said Dr. David Schwartz, a researcher at the United States Geological Survey in Menlo Park, California. If enough energy is released, people and objects over- come the earth's gravitational field and rise into the air, weightless. During the 1971 Sylmar earthquake in the San Fernando Valley, earthquake researchers say, a fire truck lifted off the ground inside the firehouse before plopping back down.

On the other hand, the faults may slip gradually so that energy is released upward ever so slowly, giving gentle birth to hills like those that dot the Los Angeles basin. Malibu, Beverly Hills and the Hollywood Hills are all products of blind-thrust faults.

Geologists call it the "Los Angeles earthquake dilemma" and among geophysical problems, it is a big one. Experts agree that there are major faults under the city, but they do not know how dangerous they are, when they last broke and how big an earthquake, if any, they could produce.

So each day for the last couple of years, local scientists have, like so many ants crawling over the lid of a closed honey pot, fanned out over the basin in search of answers. They are measuring infinitesimal ground motions, peering into excavations freshly cut for storm sewers and underground parking lots, and examining oil seeps in Malibu and Beverly Hills.

They are also "thumping" surface streets to obtain sonographic images of the earth's crust. Thumpers are essentially flat-bottomed jackhammers that send sound waves 3 to 6 miles (about 6 to 10 kilometers) down. Listening devices called geophones pick up the reflected sound waves, whose patterns reveal geologic structures.

Plans are afoot to run thumpers down several residential streets in Santa Monica and, if permission can be obtained, to close some freeway sections in the wee hours of the morning and run thumpers down one of the lanes.

In a similar experiment scheduled for October, scientists plan to set off 60 underground explosions along a 100-mile line through the Los Angeles region. Reflected waves should provide images of buried thrust faults.

An even larger experiment, planned for next year, involves firing an air gun off the coast and capturing reflected waves from the earth's crust. The researchers hope to get a good view of structures under the transverse mountains north of Los Angeles.

"These blind-thrust faults under LA are five miles down," Dr. Schwartz said. "You really can't put your hands on them. Just defining where they are and their extent relies on modeling and a lot of interpretation."

"We are in a funny position of saying to people, 'Look, we have this hazard here but we don't know the size of it, we don't know how often it moves and we don't know its geometry. It's a scary structure, if it exists. Yes, it would be bad if it moves, but we can't give you a probability. It could happen to- morrow or in a thousand years. It's not a very satisfying answer, but that's where we are."

With this uncertainty in mind, the Southern California Earthquake Consortium was established two and a half years ago with funds from the National Science Foundation. Scientists from a dozen institutions are trying to assess the buried faults and advise local disaster-preparedness officials about the dangers.

Dr. Thomas Heney, the program's director and a geology professor at the University of Southern California, said, "We've been slow to realize that the earthquake hazard in southern California involves more than the San Andreas fault." The fault traverses unpopulated areas east and north of Los Angeles. While the San Andreas is expected to produce a devastating magnitude 8 earthquake in coming years, he said, the Los Angeles basin lies over a convergence zone — a complicated geologic region that could produce a smaller but more damaging magnitude-7 earthquake amid populated areas.

Not all earthquake experts agreed that the buried faults are very dangerous.

"There's a certain amount of mob hysteria among scientists in southern California," said Dr. Allan Lindh, chief seismologist at the United States Geological Survey in Menlo Park. "There are billions of convergence zones with basins near them from Burma to Spain and no evidence that any of these has produced a magnitude-7 earthquake."

"The real threat to LA is the San Andreas. It's the difference of being hit by an asteroid or a car."

Peru's Looted Heritage

By Nathaniel C. Nash
Washington Post Service

LOMAS DE LACHAY, Peru — Two hours north of Lima, a dirt road off the main highway runs into the desert, past a chicken farm and up to a series of rounded hills. At the base of the hills, in an area the size of a football field, the ground is pockmarked with holes, about 12 feet (almost 4 meters) deep.

Strewn around are pieces of ancient pottery and fragments of human bones from the Chavico culture, which flourished between 700 and 1400 — worthless items diggers left behind. In the holes are the remains of passages and burial chambers that have nearly been demolished.

Gone are any pieces that can be sold to tourists, antiquities dealers or collectors in Lima. Also gone is most of the evidence that would help scientists better understand this complex civilization.

"They pulled some good pieces out of there just yesterday," said a passer-by who would not give his name. "They said they found some big ceramics."

Lomas de Lachay is one of thousands of places in Peru where looters are excavating ancient ruins, creating archaeological evidence, and then selling the country's cultural heritage at an alarming rate, faster perhaps than in any other country in Latin America.

In 1987 the opening by thieves of a spectacular tomb in the north touched off a looting frenzy that archaeologists say has increased with Peru's troubled economic condition. Poorly guarded museums have become a target for those seeking to sell antiquities to international collectors, and there has been a rash of burglaries.

And Peruvians can point to the developed countries like the United States, Japan and those in Western Europe, where rich collectors have created a lucrative market that makes it almost impossible to stop peasants from plundering sites. Government officials say looters working with collectors in Lima, who in turn work with international investors, have developed sophisticated trafficking networks.

Stripped for cash, the government has abandoned the care of all but the most famous sites and most valuable antiquities. Officials recently announced that they were studying the possibility of selling the management of Peru's heritage to entrepreneurs.

For Peru, which along with Mexico has the richest archaeological heritage in all of the Americas, the plundering of such treasures not only continues a historical pattern set 500 years ago by the Spanish, but is also the product of social and economic problems of the late 20th century. Conquerors as well as survivors have sought to harvest the golden riches of societies like the Incas, which flourished in the northern coastal desert from about 250 B.C. to A.D. 400; the Nazca culture and its vast complex of mysterious lines etched in the southern Peruvian desert; the Tiahuanaco culture around Lake Titicaca, and the country's most dominating civilization, the Inca, whose empire in the 15th century stretched from Venezuela to Patagonia in Argentina.

After five years of deep recession, which has left 70 percent of Peruvians in poverty, the economy is showing only the first signs of recovery. The economic strain has led the government and the public to choose development over cultural preservation.

"It's sad to say, but there is no money, and I doubt there will be any money in the future," Pedro Giannone, director of the National Institute of Culture, said in an interview with El Comercio of Lima. "It is now clearly demonstrated that the state has turned its back on the preservation of our patrimony."

Getting Close to the Bone

WASHINGTON — The science of bone has been taking big steps forward. Researchers have devised new bone substitutes with origins as diverse as glass and sea coral. Medical-device companies are rushing to bring more to the estimated \$1 billion annual market. And while none of the present substitutes is perfect for all applications, research scientists appear to be getting closer to the real thing all the time.

The natural replacement for bone, of course, is bone — and the vast majority of bone graft operations stick with Mother Nature. Some bone grafts can be harvested from the patient's own body, from such areas as the iliac crest of the pelvis. But the body does not have all that much spare bone, and the operation to get the bone adds to a patient's pain and recovery time.

Doctors also often can get what they need from bone banks, which get their deposits from cadavers. But the body often rejects foreign bones. And foreign bones can have other problems, such as carrying disease. Several AIDS cases, for example, have been linked to transplanted bone.

Some researchers searching for bone substitutes from outside of the body have looked to the sea. Certain corals resemble the structure of bone to an uncanny degree.

Interpore International of Irvine, California, harvests coral (from the genera Porites and Genipora from the South Pacific and bakes it with other chemicals, transforming the coral's calcium carbonate into bone-like hydroxyapatite. The living bone's cells take advantage of the familiar porous structure of the implant to begin running veins in, though it is not yet clear how quickly or well the implant is absorbed by the scavenger osteoclasts.

There is at least one drawback: The baked coral is more brittle than the real thing, and cannot bear weight well. Coral is best suited for small patches and facial work.

Some scientists have looked to ceramics because of their strength. Maryland-based U.S. Biomaterials, building on the research of Larry Hirsch of the University of Florida, produces a porous glass-like substance that presents a very attractive surface for real bone to bind to, but which does not appear to degrade within the body. Being glass, however, the material is more brittle than bone and is not suitable for weight-bearing uses.

Not every expert is impressed with bone substitutes. Mutaz B. Habal of Tampa, co-author of the book "Bone Grafts and Bone Substitutes," said that surgeons get very excited about new substances, but should be more skeptical. None of the current bone combines enough strength and flexibility to equal the three-year-and-10-year-warranty on our original equipment.



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The Making of a Male, Gerbil Style

By Natalie Angier
New York Times Service

NEW YORK — For many a young girl, a childhood spent with brothers has moments of fear and exasperation. Yet the most overbearing human brothers cannot begin to compare with Mongolian gerbils.

"The real threat to LA is the San Andreas. It's the difference of being hit by an asteroid or a car."

Scientists studying the blond, fuzzy-tailed rodents have discovered that when a female fetus matures in the womb with a male fetus on either side of her, the impact of all those male hormones on her development has a startling consequence: The female grows up and bears litters with a significantly higher proportion of sons than do females who spend their prenatal days sandwiched between other females.

Nor does the influence of male hormones end with the female gerbil's immediate offspring. In bearing an excessive number of males with each pregnancy, the mother also helps assure that any female she carries is herself likely to be surrounded by males, and hence to be exposed to the high levels of male hormones, or androgens, that will turn her into a vigorous begetter of sons. Gerbils generally have seven to eight pups per litter, and the study showed that those females whose immediate womb mates were males end up producing broods that are about 60 percent male.

The impact of siblings on the rodents' offspring can also work the other way. Female gerbils positioned in the womb between two other females develop in an environment that is especially rich in female hormones, or estrogens, and as a result they end up bearing slightly more females and males. Those females in turn are prone to give birth to females.

The study, appearing in the journal Nature, overturns widespread scientific assumptions that inherited traits are invariably relayed through the genes.

"The most important lesson here is that just because you see a physical concordance between mothers and daughters, you can't automatically attribute it to genetic factors," said Dr. Mertice M. Clark, a psychologist at McMaster University in Ontario, Canada, the lead author of the new report. "There could be some other mechanism at work."

Dr. Clark performed her experiments with Dr. Bennett G. Gale Jr. and Peter Kapliuk, also of McMaster University.

Scientists have known for some time that the hormonal environment in which a fetus develops can influence its body, brain and behavior. But the latest study offers the strongest evidence that hormonal exposure can have an impact lasting many generations.

"This is a fascinating study, and a wonderful demonstration of how naturally occurring hormones have broad effects on fetal development," said Dr. John G. Vandenbergh, a zoologist at North Carolina State University in Raleigh, who wrote a commentary accompanying the new report.

The discovery also gives scientists a fresh insight into how sex ratios are determined in mammals. For years, researchers have been trying to breed animals that spawn either mainly daughters or mainly sons, but to no avail. That may be because, in seeking a genetic trait associated with a particular sex ratio, the researchers were searching for something that does not exist.

The researchers do not yet understand how hormonal influences during fetal development end up affecting the sex ratio of the gerbil's offspring when they reach adulthood. Scientists propose that an excess of androgens or estrogens somehow influence the character of the female's eggs, changing the thickness or permeability of their membranes and making them more susceptible to penetration either by sperm bearing a Y chromosome — the hallmark of males — or an X chromosome.

And while the work has no immediate relevance to people, Dr. Clark and others pointed out that physicians are just beginning to wonder if, among humans, exposure in the womb to potent hormones may have an impact extending beyond a single generation. For example, the children of mothers in the 1950s and 1960s who took diethylstilbestrol, or DES — a synthetic estrogen — while pregnant have had a host of health problems, from an increased risk of rare cancers to fertility. As the children of DES children begin reaching reproductive age, it remains to be learned whether they may suffer any lingering effects from the medication their grandmothers had taken.

In experiments performed over the last 15 years on different species of rodents, Dr. Vandenbergh and many others have observed the startling impact of androgens on female fetuses. Male fetuses begin generating testosterone and related hormones early in development to aid in sculpturing and refining their own masculine forms, but if a female is very close to the male sex, 100, may be exposed to noticeable amounts of the androgens. Female rats squeezed between brothers end up with brains that are somewhat masculinized, particularly in the certain parts of the hypothalamus, a region known to differ between males and females of many species and now the site of a ferocious debate over the origins of homosexuality in humans.

The female rodents also end up with a more masculine style of behavior, roosting larger distances and making a greater area of their territory than do most females. However, they mate happily with males and are perfectly competent mothers.

IN BRIEF

Prostate Blood Test Found Useful in Cancer Detection
CHICAGO (AP) — A new study of the effectiveness of a blood test for detecting prostate cancer finds it twice as effective as a physical exam at finding early malignancies.

More than 10,000 men participated in the study of a test measuring levels of prostate-specific antigen, or PSA, a protein that seeps out of the walnut-size prostate gland if a tumor is present or the gland is enlarged. Elevated PSA levels are a possible indicator of prostate cancer, according to the researchers, led by Dr. William J. Catalona of the Washington University School of Medicine.

Their study, supported by the company that makes the PSA test and by the U.S. government, was published in The Journal of the American Medical Association. Before PSA screening was available, nearly 70 percent of cancers detected with the traditional renal exam were in an advanced stage, Dr. Catalona said, but now 70 percent of prostate tumors were localized when they were diagnosed.

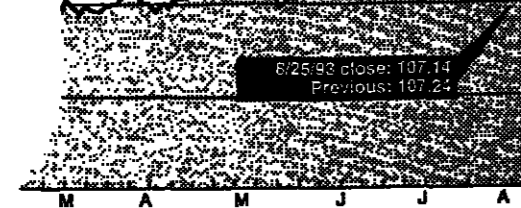
Oceans Disperse Heat
NEW YORK (NYT) — In a study that has implications for the understanding of global climate patterns, marine productivity and the spread of pollution, a team of researchers has shown that the dispersion of heat, salt and other substances in the oceans appears to be dominated by mixing along gently sloping horizontal density layers.

By mapping the spread of a nontoxic chemical tracer released about 1,000 feet (300 meters) below the surface of the Atlantic Ocean, researchers from the Plymouth Marine Laboratory in England and the Woods Hole Oceanographic Institution in Massachusetts, showed that the tracer rapidly dispersed along and across the horizontal surface of the targeted density layer. But, in a confirmation of previous estimates, vertical diffusion occurred extremely slowly between density gradients, said one of the researchers, Dr. Andrew J. Watson of the Plymouth Marine Laboratory.



TRIB INDEX 107.14

al Herald Tribune World Stock Index, composed of approximately 100 international stocks...



The index tracks U.S. dollar values of stocks in Tokyo, New York, and other major markets...

Table with 3 columns: Region (a/Pacific, Europe, N. America), Med. Close, and % Change.

Table with 3 columns: Industrial Sectors (Capital Goods, Consumer Goods, Miscellaneous) and their respective % changes.

RTZ Sells Unit to Caradon

Pillar Interests Go For \$800 Million

Compiled by Our Staff From Dispatches. LONDON — RTZ Corp. announced on Wednesday the long-awaited sale of its Pillar industrial unit to MB-Caradon PLC for \$800 million (\$1.2 billion) in cash.

MB-Caradon will partly fund the deal with a \$334 million one-for-four rights issue of stock at 260 pence a share. The rights issue should be easy, said Gavin Lauder, an analyst at Goldman Sachs...

Rebinding the EC's Core

By Tom Buerkle

BRUSSELS — As Prime Minister Edouard Balladur prepared to meet Chancellor Helmut Kohl in Berlin on Thursday, rarely has the European Community needed as much and expected as little from the French-German alliance that embodies its hopes of greater unity.

In the three weeks since France was forced to effectively float the franc, the two governments' divergent views on economic policy appear to have only hardened. That has cast doubt on the ability of Mr. Balladur and Mr. Kohl to heal the wounds left by the currency crisis and advance Europe's process of economic and political integration.

The best outcome of the talks, said one EC Commission official, would be for the two leaders to air their differences and "confirm their support for European integration and the objective of economic and monetary union."

France Promises Cut in Personal Taxes

Compiled by Our Staff From Dispatches

PARIS — Prime Minister Edouard Balladur promised Wednesday to cut personal income taxes, opening a new front in France's fight against record unemployment and economic recession.

Mr. Balladur said at a news conference that he planned to reduce income taxes by about 17 billion francs (\$2.9 billion) and would offer tax breaks for home buyers to stimulate consumer spending and economic growth.

Strong Yen Tips Toyota Toward Its First Loss

By Andrew Pollack

Operating income fell 16.8 percent to 181.9 billion yen. Net sales rose 0.5 percent to 10.21 trillion yen from 10.16 trillion yen.

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Mazda Cuts in U.S.

Reflecting the soaring yen and hard times for Japan's automakers, Mazda Motor Corp. has dismissed its top American executive and said it would reduce its headquarters staff in California by about 35 percent.

INTERNATIONAL MANAGER

Wanted: Top Executives With Short-Term Outlook

By Michael S. Malone. LOS ALTOS, California — A little-trod career path tread in the technology industry over the last 10 years may yet offer opportunities for the most independent-minded of America's unemployed managers...

Typically senior managers, rent-execs have lost interest in the concept of a long-term job at a single company and are hungry for new experiences and independence.

Allied Plans Aventure With Sextant

LONDON — Europe's largest avionics manufacturer, Sextant Avionique, said Wednesday it would link up with Allied-Signal Inc. of the United States to form a venture that would be one of the world's biggest aerospace electronics companies.

Saudi Envoy Criticizes Report

LONDON — Saudi Arabia on Wednesday condemned New York Times reports describing massive financial mismanagement and decline in the country's economic position.

4 Big Electronics Firms Set Video CD Standard

TOKYO — Compact-disk videos got a boost Wednesday when four leading electronics companies agreed on a format that will use standard-sized CDs and can be played on the current generation of audio players after they are fitted with adapters.

CURRENCY & INTEREST RATES

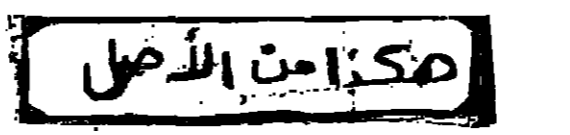
Large table containing various financial data including Gross Rates, Eurocurrency Deposits, Key Money Rates, and Other Dollar Values.

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A true collector's item. The only coin watch for the connoisseur.

Advertisement for CORUM watches, featuring an image of a watch and text about its craftsmanship.



MARKET DIARY

Weak Interest Rates Boost Stock Prices

NEW YORK — Record-low interest rates on bonds translated into record-high prices for most Wall Street stocks on Wednesday. The Dow Jones industrial average rose 13.13 to a record 3,652.09.

While rising issues on the New York Stock Exchange outnumbered decliners by an 8-to-7 ratio, computer-related issues fell however, in part because of a brewing software price war, and that helped push the Nasdaq over-the-counter index down 1.47 points, to 733.66.

Ralph Bloch, senior vice president at Raymond James & Associates in St. Petersburg, Florida, said stocks were marching "to the beat of low interest rates."

Weak durable-goods order for July confirmed the outlook for unspectacular economic growth, which implies interest rates will remain low. A rise in home sales that month was taken as a function of the low interest costs, which make mortgages relatively inexpensive.

The yield on the bellwether 30-year Treasury bond fell to 6.17 percent, a record low, from 6.20 percent on Tuesday. Bond prices rose late in the session, despite lukewarm bidding at an auction of five-year notes.

Expectations of lower German rates reversed pressure early in the day on the dollar in the wake of a sharp drop in U.S. durable-goods orders. Dealers noted that this indicator is volatile, however, and its effect on the market was short-lived.

Some dealers believed that a small cut by the Bundesbank was unlikely to move the market much. "Unless the Bundesbank doesn't cut rates at all or cuts rates more than 50 basis points, I have a hard time seeing it's going to have much of an impact," said Mr. Koss, who said that the dollar and mark have stayed in a fairly narrow range all summer.

The dollar also finished at 1.4815 Swiss francs, up from 1.4752 francs on Tuesday, and at 5.8490 French francs, up from 5.8445 francs. The pound declined to 1.4815, from 1.4987.

Dealers were skeptical that the Japanese authorities could long fight the dollar's upward trend alone. "Mostly it's the BOJ against

The Dow Jones Industrial Average table showing high, low, and close prices for various sectors like Industrials, Chemicals, and Finance.

NYSE Most Active table listing top trading stocks such as IBM, AT&T, and Microsoft with their respective volume and price changes.

AMEX Stock Index table showing high, low, and close prices for the American Exchange market.

Dow Jones Bond Averages table listing yields and prices for various bond categories like 30 Bonds and 100 Industrials.

Market Sales table showing volume and price changes for various market segments.

N.Y.S.E. Odd-Lot Trading table listing odd-lot trading activity for various stocks.

Spot Commodities table listing prices for various commodities like Aluminum, Copper, and Silver.

Dividends table listing dividend payments for various companies.

NASDAQ Diary table listing price changes for various NASDAQ-listed stocks.

Stock Prices Shine in Europe table listing price changes for various European stock indices.

LONDON — The Financial Times Stock Exchange index jumped 29.9 points Wednesday, closing at a record 3,089.2, as optimism that Germany would cut interest rates buoyed European bourses.

The European component of the International Herald Tribune World Stock Index rose 0.49 percent, to 104.41.

French stocks posted a notable advance, with the CAC-40 index up 35.91 points, to 2,159.31. If the Bundesbank does cut its discount rate Thursday, as expected, the Bank of France likely would have room to follow.

EUROPEAN FUTURES table listing prices for various European futures contracts.

Food table listing prices for various food commodities like Wheat, Soybean Meal, and Lard.

Metals table listing prices for various metals like Aluminum, Copper, and Zinc.

Financial table listing prices for various financial instruments like Treasury Bonds and Eurodollars.

Stock Indexes table listing price changes for various stock indices like S&P 500 and Nikkei.

Commodity Indexes table listing price changes for various commodity indices.

Stock Indexes table listing price changes for various stock indices.

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U.S./AT THE CLOSE

Home Sales Climbed 5.4% in July

WASHINGTON (Combined Dispatches) — Sales of previously owned homes jumped 5.4 percent in July to the highest level in more than two decades, a real estate trade group reported Wednesday.

Philip Morris Sinks on Flat Pay NEW YORK (AP) — Philip Morris Cos. said Wednesday its dividend steady this quarter, saying the volatility of cigarette business made that the "most prudent course of a

Ford Makes Contract Offer to Dearborn, Michigan (Reuters) — Ford Motor contract proposal to the United Auto Workers union; pact longer than three years and offers a "good case chosen as the union's strike target. UAW vice president said Wednesday.

Bell Atlantic Wins Key Cable Cas WASHINGTON (Reuters) — In a potentially far-reaching federal judge has declared unconstitutional a part of the 1984 act that barred Bell Atlantic Corp. subsidiaries from providing service in the same areas where it provides telephone service.

MGM Names Chief at United Artists HOLLYWOOD (NYT) — In a move to accelerate movie production troubled Metro-Goldwyn-Mayer Inc., John Calley, a former Broders executive, has been named president of United Artists I a revived MGM division.

For the Record Toys 'R' Us is planning to open Books 'R' Us departments in at stores by October. Reader's Digest Association Inc. said its fourth-quarter net dipped to \$25.7 million, from \$26.2 million a year earlier.

Frankfurt — Sensitive documents belonging to a rival carmaker ended up in a Volkswagen AG guesthouse unintentionally, the VW production chief, Jose Ignacio Lopez de Arriortúa, said in a statement obtained by Reuters.

Two VW employees, sorting the papers in Mr. Lopez's presence, discovered the boxes also contained Opel and GM correspondence between Mr. Lopez and suppliers. Mr. Lopez said he ordered the VW workers to shred them.

Mr. Lopez decided to be frank. He ordered an Opel employee to remove sensitive papers from his Opel office. Once Mr. Lopez decided to join VW, the boxes were shipped to Germany.

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WORLD STOCK MARKETS

Table of World Stock Markets showing indices for various countries including Amsterdam, Helsinki, Hong Kong, Brussels, Frankfurt, Johannesburg, London, Madrid, Milan, Montreal, Singapore, Stockholm, and Zurich.

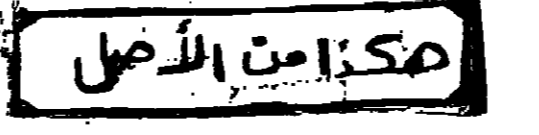
Table of World Stock Markets showing indices for various countries including Paris, Sao Paulo, Tokyo, and Zurich.

U.S. FUTURES

Table of U.S. Futures showing prices for various commodities like Grains, Metals, Lumber, and Financial instruments.

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Table of U.S. Futures showing prices for various commodities like Grains, Metals, Lumber, and Financial instruments.



Cut the Franc Loose, Belgians Say

Economists Call for an End to 3-Year Link to Mark

BRUSSELS — A group of Belgian economists urged the government on Wednesday to suspend the Belgian franc's link to the Deutsche mark, setting a major challenge to the center-left government's economic and monetary policy.

In an open letter to Prime Minister Jean-Luc Dehaene that was published in several of the country's most important newspapers, 14 leading economists from the Catholic University of Leuven, the nation's most respected school for economics, said the policy was hindering efforts to reduce unemployment and spur economic growth, and should be ditched.

Among those to sign the letter was Paul De Grauwe, an internationally known economist who, like several of the other signers, had previously favored the Belgian franc's link to the Deutsche mark.

"This could be the beginning of the end" of Belgium's policy of tying the franc to the mark, said Darren Williams, an economist at Merrill Lynch in London.

For three years that linkage has provided Belgium with one of the strongest currencies in Europe, and helped maintain low inflation and a strong current-account surplus. Because it contributed to economic stability, the so-called franc fort policy had enjoyed, up to now, the unanimous approval of Belgian economists.

The economists' statement was the first to challenge the three-year-old franc-mark link.

An attempt to follow the mark in its upward climb will damage Belgian industry, the statement said, adding that "eventually it will also not succeed because the Belgian franc, because of the enormous debt charge of the state, is insufficiently resistant to speculative waves."

It was also the first domestic criticism of monetary policy since the turmoil in the European Monetary System in late July, which led European governments to widen to 15 percent the permitted fluctuation bands for all EMS currencies except the mark and guilder.

Analysts said the statement could be crucial for upcoming negotiations between the

government, employers and unions on an agreement to tackle the high-spending social-security system, which is seen as a major contributor to Belgium's huge 8.0 trillion franc (\$225 billion) debt, and on measures to boost competitiveness.

"The government should adopt a monetary policy favorable to job creation," the economists wrote in the letter, which appeared in L'Echo, a daily financial newspaper, as well as a leading Flemish-language paper and a French-language paper. "The suspension of the link between the franc and the mark would allow Belgium to undertake a more supple policy, which would be adapted not to German internal problems but to Belgian problems."

Belgian disaffection with the policy of shadowing the mark mirrors a broader European disillusionment with the idea of binding currencies together.

The Belgian National Bank, responding to the letter, said Wednesday that it was sticking to its current monetary policy.

(Reuters, Bloomberg)

Market Divided

On Prospects of German Rate Cut

FRANKFURT — Economists and analysts were divided over whether unexpectedly modest German inflation figures for August, which were issued on Wednesday, would prompt the Bundesbank to cut key rates at its council meeting on Thursday.

Annual inflation statistics published by four federal states showed that Western Germany's preliminary inflation index for August had fallen to 4.2 percent, or possibly to 4.1 percent, from an annual rate of 4.3 percent in July.

The office is expected to publish preliminary figures for Western Germany's inflation rate later this week.

"The inflation figures are surprisingly positive," said an analyst at DG Bank. He said they confirmed that long-term inflation was heading downward and predicted that the Bundesbank would cut its discount rate, currently at 6.75 percent, by 25 basis points. He said it would refrain from a bigger cut because it did not want to jeopardize its anti-inflation credibility.

"The figures show a clear dampening of inflation," said Werner

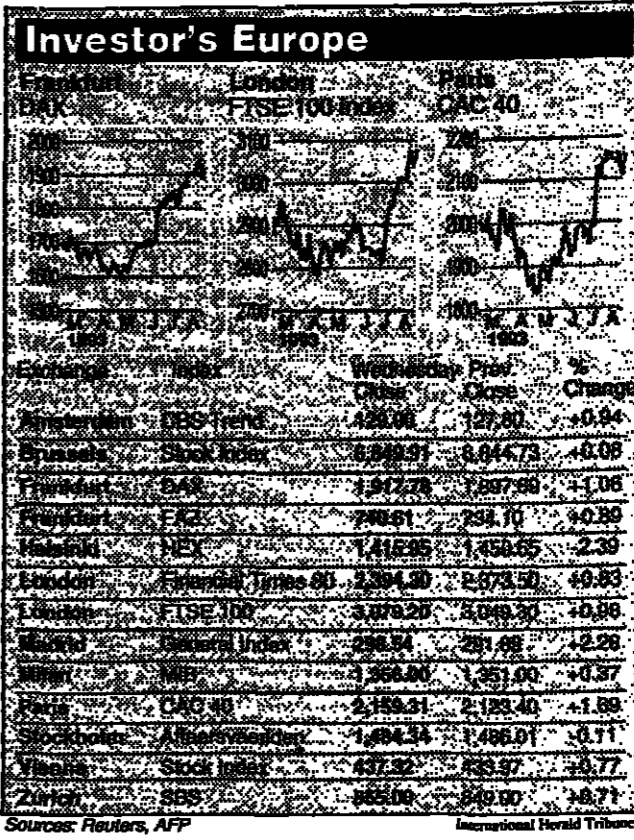
Verboeckert, an economist at Commerzbank. He predicted the Bundesbank would cut the discount rate by half a percentage point. "Moderate wage settlements in the service sector at the beginning of the summer are now beginning to come through."

But Gerhard Grebe, an economist at Bank Julius Bär, said that an improvement in inflation was normal at this time of the year and that the Bundesbank was unlikely to ease monetary policy for three to four months. "The level is still too high," he said. Inflation was falling but was doing so very "slowly and sluggishly."

The Bundesbank has not scheduled a press conference to follow its council meeting. It last cut the discount rate by half a point, to 6.75 percent, on July 2 and last cut the lombard rate by the same margin, to 7.75 percent, on July 30.

Separately, the Hamburg-based HWVA research institute said Wednesday that the annual inflation rate in Eastern Germany was expected to drop to an average of 4.5 percent in 1994 from 9 percent this year as rising rents stabilize.

(Bloomberg, Knight-Ridder)



Very briefly:

- **Caubary Schwegges PLC** said it planned to build a chocolate plant in Wrocław, Poland that is expected to begin production in 1995.
- **VDO Adolf Schindling AG**, an auto-parts producer, said it had posted a loss in the first half due to weak demand, while group sales fell 1.3 percent, to 1.17 billion Deutsche marks (\$694 million).
- **W. H. Smith PLC** said its pretax profit had risen 5.3 percent in the year ended May 29, to £113.8 million (\$170.3 million), on strong book sales.
- **Telegraph PLC**, the British newspaper publisher, said first-half pretax profit had jumped 60 percent, to £34.6 million, reflecting higher sales and a revival in advertising revenues.
- **Havas** is ready to increase its 23.5 percent stake in Canal Plus with a share swap as soon as the French parliament passes a law raising the permitted size of shareholdings in media companies, according to the daily Le Figaro.
- Talks geared to a merger between Renault SA and Volvo AB have made "significant progress," although they are not yet completed, sources at the French Industry Ministry said.
- Chancellor **Helmuth Kohl** said capital investments in Eastern Germany should reach 36 billion DM in 1992, double the amount spent in 1991.

U.S. Fund for Hungary Slashes Salaries

By Peter Maass
Washington Post Service

BUDAPEST — The Hungarian-American Enterprise Fund, trying to put several months of scandal behind it, announced Wednesday that it was cutting by more than half the \$400,000 salaries at a small banking firm it owns.

But the Enterprise Fund failed to cajole the two American managers of EurAmerica Capital Corp. to make the pay cuts retroactive and refund hundreds of thousands of dollars. The fund also was unable, for financial and legal reasons, to withdraw immediately its \$4 million investment in EurAmerica.

Created by the U.S. Congress in 1989 to funnel \$60 million into

Hungary's nascent private sector, the Enterprise Fund attracted harsh criticism earlier this year when a congressional committee learned that EurAmerica was paying as much as \$400,000 to each of its managers — or about twice as much as President Bill Clinton earns.

The House Foreign Affairs Subcommittee on Foreign Operations issued a scathing report in which it condemned the salaries as being poor uses of taxpayer money and refused to hand over a final appropriation of \$13 million for the fund.

At a time of budget-cutting, the salary controversy threatened to undermine support for the approximately half-dozen enterprise funds that had been set up in Eastern

Europe and allocated several hundred million dollars.

The dispute over EurAmerica was the first financial scandal to strike the U.S. government's foreign-aid program for the troubled ex-Communist world. The problem in Hungary illustrated the difficulty of finding dollar-wise ways to help the transition to capitalism in the former Soviet bloc.

As the controversy gained force, the fund's president, Alexander Tomlinson, resigned two weeks ago, bitterly accusing Democrats on Capitol Hill of trying to undermine the fund, which was established under former President George Bush. Mr. Tomlinson, a retired Wall Street executive, defended the EurAmerica salaries as

being justified and in line with banking norms, but few people in Washington shared his views.

Mr. Tomlinson had tried to deflect the controversy by stating that the salaries were paid from income earned by EurAmerica rather than from the fund's start-up capital. The fund's legal counsel, Robert Odle, said in a telephone interview Wednesday that this was not entirely correct, because when EurAmerica started up, it did not have any income to pay the salaries.

EurAmerica, which is supposed to help local companies raise money from foreign investors, has agreed to a salary cap of \$150,000. The salary cuts are effective from this month, Mr. Odle said.

Krupp Swings to a Loss

ESSEN, Germany — Fried. Krupp AG Hoesch-Krupp, the troubled German steelmaker, said Wednesday it had swung to a pre-tax loss of 324 million Deutsche marks (\$192 million) in the first half of the year, compared with a year-earlier profit. But analysts said the loss should shrink during the rest of 1993 and may even head toward break-even next year.

Krupp's chief executive, Gerhard Cromme, said the company would slice a total of 12,900 jobs from its work force of 91,411 this year.

Last month, the chief executive said employee levels would be sliced to just below 80,000 by 1994. The cuts include about 2,000 positions at the company's Rheinhausen steel plant, shut down earlier this month. (Bloomberg, Reuters)

NOMAD: Jobs With No Future

Continued from Page 9

46, of Boulder, Colorado, has been hired by several companies, typically for only six months and usually as a vice president, to help the young firms establish relationships with distributors, set product value and define future products.

"It's addictive," Mr. Lynott said. "The adrenalin rush is fun. I personally get a kick out of calling people and saying 'I'm with XYZ company' and have them say 'With who? I get a special thrill out of introducing a new company, product or concept. And the potential payoffs can be huge. A lot of guys in smaller companies take an equity position — then they're off doing something else years later and they learn they've hit the jackpot."

"Best of all, there's almost no

politics. When you're a lifetime employee working for that gold watch, you live office politics or die. In this job, politics isn't your concern — you won't be there long enough. What counts is success."

The life of the rented exec does come with considerable costs.

For one thing, it is unpredictable. Says Mr. Lynott: "Remember, you are entering a company at its highest risk point. You live and die by the sword. The statistics say you are going to work for a lot of companies that won't make it. It can be very depressing."

Just as important, as Mr. Van Horne put it, "You have to be willing to sell yourself every day. You have to determine what needs to be done and see the job through, not just put in your time."

MEETING: Talks Key to Future

Continued from Page 9

change, a group of professors at the University of Louvain issued a manifesto Tuesday criticizing Belgium's effort to maintain the value of its franc and calling for interest-rate cuts to spur employment.

Although there is little prospect that Mr. Kohl and Mr. Balladur will resolve their differences over currencies, the monetary crisis was likely to affect their talks on trade.

Mr. Balladur has promised to make new proposals to advance Europe's interests in the global talks to liberalize the General Agreement on Tariffs and Trade.

Nevertheless, Foreign Minister Alain Juppé on Tuesday told his German counterpart, Klaus Kinkel, that France remained opposed to an EC-U.S. agricultural pact that is intended to form the basis

for the farm portion of a GATT deal.

Germany has steadfastly defended the farm deal with Washington and knows it must push hard to obtain an overall GATT deal by the current December deadline.

Germany Criticized

Karel van Miert, the EC competition commissioner, criticized German declarations that an EC central bank "had to be sited in Frankfurt or nowhere, greatly angering France, Reuters reported from Brussels.

Foreign Minister Klaus Kinkel said on Monday Germany was confident it would win the European central bank and its precursor, the European Monetary Institute for Frankfurt, home of Germany's independent Bundesbank.

TAXES: Balladur Announces Cuts

Continued from Page 9

reaching monetary union set under the Maastricht treaty might have to be relaxed. The treaty on economic, monetary and political union calls for a single European currency to be created by 1999.

Mr. Balladur said he continued to hope that European leaders would work to meet those deadlines, including the one set for Jan. 1 to establish a European monetary institute, the embryo of a European central bank.

But he said it was important for European countries to make sure their economies were tightly aligned before trying to move their currencies closer.

"We cannot move more quickly than foreseen under the treaty because that would presuppose a much greater convergence of eco-

nomic policies and assume Germany had found definitive solutions to the consequences of reunification," Mr. Balladur said.

French officials have blamed the recent currency crisis on high German interest rates, which they say stem from the costs of German reunification.

Mr. Balladur said that projections indicated weak but positive growth in gross domestic product next year, after a year of economic contraction in 1993.

The National Statistics Institute revised its estimate of gross domestic product growth downward for the first quarter, saying it would fall by 0.7 percent rather than by 0.5 percent. Second-quarter data are not yet available.

(Reuters, Knight-Ridder)

COMPANY RESULTS

Revenue and profits or losses, in millions, are in local currencies unless otherwise indicated.	1993		1992	
	1st Qtr.	2nd Qtr.	1st Qtr.	2nd Qtr.
Deere & Co.	Revenue: 2,649	Revenue: 2,649	Revenue: 2,649	Revenue: 2,649
Profit: 2,301	Profit: 2,301	Profit: 2,301	Profit: 2,301	Profit: 2,301
United States				
United States				
Albertson's				
Hewlett-Packard				
American Shores				
Japan				
Honda				
Dayton Hudson				
Sony				

ENCOURAGING SIGNALS

GOOD NEWS FROM EASTERN GERMANY

REMAINS DIFFICULT
In the 1st half of 1993, earnings in Electricity increased once again. Trading/Transportation/Services matched the previous year's level despite a difficult economic environment. However, a substantial earnings decline in Oil and wholly unsatisfactory results in Chemicals led to an overall decline in Group net income of 13.2% to DM 316 million.

From today's point of view, we anticipate the 1993 earnings to continue to develop as they did in the 1st half. However, we are optimistic that the cost-cutting measures will show their full positive effects in 1994.

INVESTMENT PROGRAM IN THE NEW STATES
Good news from Eastern Germany: Following the agreement of the last of Eastern Germany's 164 municipalities to accept the "Stromvertrag", the way has been cleared for an investment program to privatize the region's utilities, five of which are managed by PREUSSENELEKTRA and on which PREUSSENELEKTRA plans to spend DM 600 million in 1993. By the year 2005, total capital expenditure in the electricity sector will amount to DM 6.7 billion.

Eastern Germany's principal utility VEAG, in which PREUSSENELEKTRA intends to acquire a 26.25% interest, has earmarked some DM 30 billion for modernizing the Eastern German power industry by the year 2005. Other major electricity projects of PREUSSENELEKTRA:



the 900 MW lignite power station in Schkopau near Leipzig and the 160 MW power station in Kirchmöser, Brandenburg.

SOLID FOUNDATIONS
1992 sales in Eastern Germany amounted to DM 4.1 billion. With a regional investment focus on the new states of DM 8.4 billion (1993 - 1997), we will concentrate on infrastructural improvements, i.e. generation and distribution of electricity, supply of gas and water, as well as waste business.

The initial steps to establish the mobile telephone network E Plus have been taken in Eastern Germany. To date, ARAL (VEBA interest 56%) has built up a network of 147 service stations in this region.

With some 7,000 employees in the new states, STINNES and RAAB KARCHER concentrate on DIY markets, building materials trading, transportation, warehousing and handling, coal trading, thermal engineering, and DP. VEBA IMMOBILIEN is engaged in urban development, housing, and commercial real estate in Leipzig, Berlin, and Weimar.

VEBA laid the foundations for a prosperous future of this region.

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- energy, chemicals, and petroleum products
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With 486,000 shareholders, VEBA is one of the largest publicly owned companies in Europe. 23,000 foreign, primarily European investors currently hold 34% of the capital stock.

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Group Key Figures	Jan. 1 - June 30, 1993	Jan. 1 - June 30, 1992	Change
Sales	DM million 33,210	33,121	+ 0.3%
Group Net Income	DM million 316	364	- 13.2%
Capital Expenditure	DM million 2,041	1,832	+ 11.4%
Personnel (June 30, 1993/Dec. 31, 1992)	129,071	129,802	- 0.6%



Strom aus dem Osten

NYSE

Wednesday's Closing
Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

Symbol	Price	Change
IBM	100.00	+0.25
MSFT	50.00	+0.50
ORCL	40.00	+0.25
INTL	30.00	+0.10
DISC	20.00	+0.15
WALD	15.00	+0.05
AMZN	12.00	+0.10
GOOG	10.00	+0.05
MSFT	50.00	+0.50
ORCL	40.00	+0.25
INTL	30.00	+0.10
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NYSE

Wednesday's Closing
Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

Table of NYSE stock prices including columns for stock symbols, company names, and prices.

Table of international stock prices, including symbols and prices for various foreign markets.

Table of international stock prices, continuing from the previous table.

Table of international stock prices, continuing from the previous table.

Table of international stock prices, continuing from the previous table.

Table of international stock prices, continuing from the previous table.

AMEX Wednesday's Closing
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INTERNATIONAL FUNDS

Quotations supplied by funds listed. Not exact values; quotations are supplied by the Funds listed with the exception of some quotes based on issuer prices.

Table of international fund prices, including fund names and prices.

Table of international fund prices, continuing from the previous table.

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Table of international fund prices, continuing from the previous table.

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JOBS: German Automotive Industry Planning to Slash 100,000 Workers

Continued from Page 1

"Last year, wages in the German automotive industry were two-thirds higher than at the French competitor, which is roughly as efficient," Mrs. Emmerich noted.

"As the process of change picks up speed, it is also drawing increasingly fierce resistance. For example, Mercedes-Benz's chief labor representative, Karl Festerstein, told a local news service Wednesday: 'The company can expect major resistance if it tries to carry out its plans.'"

In international terms, German industry and organized labor have long enjoyed an enviable degree of cooperation. As the going gets tough, however, companies are increasingly blaming union wage demands and attempts to block change for employers' hard-line response.

"IG Metall proposed we organize automotive sector investments on an international basis to cushion change," Mr. Herzog said. "We can't even do that in the European Community, let alone in the whole world."

IG Metall is Germany's biggest labor union, including workers from the automotive and other metalworking industries. The union has scheduled a press conference Friday to present its own proposals for resolving the crisis, which threatens the union's existence as members lose their jobs and stop paying dues.

Though radical change is arguably unavoidable to restore German automakers' competitiveness, economists increasingly say it is a danger to the country's social and economic stability.

"Strikes would only make the situation worse," a London analyst said.

But even without strikes, he added, "there's nothing on the horizon that could employ the large numbers of workers coming out of the car factories at the same wages."

He said, "You're left with widespread dissatisfaction and a tremendous structural unemployment, which has to be financed through the social security system."

She called for a substantial corporate tax break, wage restraint and a temporary ban on new environmental legislation, and blasted a federal government proposal to raise the tax on motor fuels.

The automotive industry, meanwhile, on which every sixth job in Germany directly or indirectly depends, cannot help but reinforce the positive effects of product innovation and standardization by cutting labor costs, which account for 70 percent of the cost of a German car, she said.

Germany's high labor costs were once justified by relatively high productivity, but have increasingly become a competitive liability in both European and global terms. While shedding capacity at home, German automakers are expanding abroad, especially in areas where labor is cheaper.

NASDAQ

Wednesday's Prices
NASDAQ prices as of 4 p.m. New York time. This list compiled by the AP consists of the 1,000 most traded securities in terms of dollar volume. It is updated twice a year.

High	Low	Open	Close	Change
100.00	99.00	99.50	100.00	+0.50
50.00	49.00	49.50	50.00	+0.50
20.00	19.00	19.50	20.00	+0.50

AMEX

Wednesday's Closing
Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press.

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SPORTS FOOTBALL

Another Season, Another Burden for Florida State

By Malcolm Moran
New York Times Service

TALLAHASSEE, Florida — The house that Bobby Bowden rebuilt is a work in progress.

Giant brick facades and majestic archways have begun to obscure the Erector Set architecture of Doak Campbell Stadium, making the home of the Florida State Seminoles suddenly appear stately enough that Red Grange could have played there in the days when the school was a college for women and the business of high-stakes football was conducted elsewhere.

As the cranes work and Florida State prepares for the Kickoff Classic against Kansas on Saturday afternoon at Giants Stadium outside New York City, the game that will open the 1993 college football season, the success of Bowden's 17-season tenure has created another illusion: That the Seminoles have always been this way, living with the expectation of winning the school's first unofficial, but desperately sought, national championship.

Those pollsters are at it again, having picked Florida State No. 1. "You'd think they'd finally wise

up," said Bowden. Then he laughed. Twice before, the Seminoles have been placed in a similar position. And twice their seasons have brought disappointment.

If Bowden, his players and staff have in fact learned something from the heartbreak of the past; if the offense can cope with the loss of its leading rusher and if dynamic quarterback Charlie Ward can continue to flourish in a more-imaginative scheme; if the defense can overcome the knee injuries to two leading defensive backs; if the powerful leg of freshman kicker Scott Bentley can overcome the curse of "Wide Right Against Miami," if the Seminoles can withstand the limited challenge of the Atlantic Coast Conference and survive November trips to Notre Dame and Florida; if they can continue their record-setting bowl-game success and if they can leave the ifs at the start of the season, rather than carrying them to the bitter end, the rest should be easy.

We're No. 1.
In August.
Big deal.

"We know now it means absolutely nothing," Bowden said. The flimsy distinction of a top preseason ranking has been bestowed here twice in the past five seasons. In 1988, a group led by Deion Sanders embraced the honor by creating a music video called "The Seminole Rap" that was a hit until a 31-0 opening-night loss in Miami. Two seasons ago, a more-

talented group — maybe the best Bowden will ever have — allowed the pressure of expectation to build until it became unbearable, and led to losses to Miami and Florida. "I felt pressure," recalled Clifton Abraham, a junior cornerback, "and I was just a redshirt freshman. Everybody was uptight. This year,

for some reason, we're more relaxed. We're playing like we're No. 20 and we're not expecting to win. That's how calm we are."

The words reflect the peacefulness of an empty August campus. But their practice T-shirts display reminders of the cruel reality of New Year's Day: "ONE THING LEFT," they read. And just beneath those words

called, "until I can get back to Auburn. Or get back maybe to Alabama one of these years. Or maybe over to Baton Rouge and LSU. Or maybe to Georgia."

He did not build the house. He added to a big-time foundation built by Tom Nugent in the 1950s and enlarged by Bill Peterson in the 60s, with coaching staffs that included Bowden, Don James, Dan Henning, Joe Gibbs, and Bill Parcells. Bowden would occupy this house, let it appreciate, turn it over and move on.

But something happened. His second team, in 1977, won 10 games. His fourth team, in 1979, was undefeated until an Orange Bowl loss to Oklahoma. Bowden came to realize that the population base and resources would allow him to accomplish just as much here as he could anywhere else-where, and leave a personal stamp behind. This was his place.

"I feel like I was meant to be at Florida State," Bowden said. "That's what my beliefs are. I'm a religious man. I believe there are some places you're just supposed to be in life."

The pollsters have again picked Florida State, which opens the college season Saturday, as No. 1 in the country. "You'd think they'd finally wise up," said the Seminoles' coach, Bobby Bowden.

appears the Seminole secret: The Seminoles, confident, loose and undefeated in the summer heat are not telling.

Bowden's original plan did not include a long stay here. He could escape from West Virginia, "and coach at Florida State," he re-

called, "until I can get back to Auburn. Or get back maybe to Alabama one of these years. Or maybe over to Baton Rouge and LSU. Or maybe to Georgia."

His Florida State record of 154-45-3 is 82 victories beyond Peterson's 11-season total. Bowden's total of 227 victories is second among active coaches to Penn State's Joe Paterno.

The Seminoles have won 64 of their last 73 games. The polls of news media and coaches have each voted six consecutive final top-four finishes.

And yet Bowden has been cast as college football's tragic figure. Two consecutive defeats to Miami have ended with kicks that went wide right; one for a victory and one for a tie. The morning after the 1-point defeat in 1991, Bowden smiled and said he knew the words for his tombstone: "He played Miami."

Maybe that will change with the arrival of Bentley, the kicker who chose Florida State over Notre Dame after making seven field goals of 50 yards or longer last year, including kicks of 57 and 58 yards. Or the continued emergence of Ward, who completed 56 percent of his passes for 2,647 yards last year, ran for 504 more, and had a say in adjustments made to create a more-imaginative offense.

"I think the coaching staff has learned from previous years," Ward said. "We have a better scheme, and that's part of the growth process that we've gone through."

Far removed from autumn and disappointment, Bowden sees an edge.

"Every year when I approach my boys," he said, "I don't have to say, 'Boys, there's a goal out there but it has already been accomplished. Let's try to do it again.'"

"There's still a space on our shelf for a plaque that says, 'The only undefeated team in Florida State history.' We've still got that space."

More potentially damaging than the season-ending injuries to tailback Tiger McMillon and safety Steve Gilmer and the uncertain future of cornerback Corey Fuller — all lost to knee problems in the first week of practice — is the acceptance of the possibility that this is as good as the Seminoles will ever become.

"You can't be satisfied with pretty good," said senior linebacker Ken Alexander. "Once you get satisfied with pretty good, complacency starts setting in, and when you become a complacent team, that's when you start dropping out of the race. That's what happened to the Penn State, what happened to the Notre Dame."

Two seasons ago, when the Hurricanes came into Tallahassee and came from behind to defeat Bowden's best team, critics maintained that the coach's gambling instinct, his signature, had been lost in the heat of a tense, critical game.

"We were playing not to lose, instead of going for the win at all costs," Alexander said.

"Was that a strategic problem?" he was asked.

"That's just strategy," he said. "That's plain strategy. When you start playing not to lose, that's when you start losing ball games."

"Can that change?"

"It's got to change," Alexander said. "It's my last year. If I can put anything into anybody on the team, it's going to be to always put everything they've got into a play."

The house that Bobby Bowden rebuilt has a fancy new brick facade, a Bentley in the driveway, and the seeds of desperation sown on its lawn.

Marseille Evidence Reportedly Flawed

The Associated Press

PARIS — A leaked deposition shows that the coach who claims that Olympique Marseille's president, Bernard Tapie, tried to bribe him had a poor memory of the encounter, and the deposition likely will not stand up in court, it was reported Wednesday.

The weekly *Le Canard Enchaîné* reported that investigators improperly took the deposition from Boro Primorac, the former coach of Valenciennes. The investigative and satirical journal said that Judge Bernard Belfy, who is leading the investigation into the case; Prosecutor Eric de Montgolfier and Primorac had signed the deposition, but that it can serve neither as a legal complaint nor as admissible evidence because it lacks a clerk's countersignature.

The deposition shows that Primorac, asked to describe Tapie's offer of money and a job if he agreed to take the blame for Marseille's alleged bobo offer to three Valenciennes players to throw a match.

Primorac says Tapie met him June 17 to confirm an intermediary's offer of money and a job if he agreed to take the blame for Marseille's alleged bobo offer to three Valenciennes players to throw a match.

At Manchester United, Loyalty Can Be Costly

Reuters

LONDON — The English champion, Manchester United, was accused Thursday of cashing in on the loyalty of its young fans who buy replica match clothing by frequently changing the team colors.

A report on replicas, "kits" or "stripes" in the Consumer Association's youth magazine, "Check it out," said the northern club had introduced four new outfits in just over a year.

United also appeared near the top of the league price list for the replica uniforms, which many supporters wear to demonstrate their allegiance. Few young fans want to be seen wearing last season's outmoded kit.

"Most clubs change either their home or away kit every season. Manchester United has had four changes over the last 12 months or so," said the magazine's editor, Sue Harvey. "That seems particularly excessive."

The clubs are using the loyalty of their supporters to charge big prices. Young fans feel under pressure to support their teams, which can put major financial pressure on their parents," she added.

Manchester United, which won the league title last season for the first time since 1967, last year introduced a new red and white home kit, a new blue away strip and a third yellow and green uniform.

This season, it is sporting another, all black, away strip which costs £47 (\$70.23) for fans to buy.

United's commercial manager, Danny McGregor, defended the new designs and said the club was catering to a demand.

"We don't force anybody to buy the kits but it's about fashion, it's about leisurewear," he said. "How long the fashion will last we can't tell."

Italy, Russia Win the Team Cycling Trials

Compiled by Our Staff From Dispatches

OSLO — Italy avenged its second-place finish in Barcelona last summer by beating defending world and Olympic champion Germany and winning the 100-kilometer men's team trial Wednesday at the World Cycling Championships.

Russian easily won the women's 50K team trial, finishing three minutes ahead of the defending champion U.S. team, which for most of the race had three riders.

The Italian men's team of Rosano Bras, Gianfranco Contri, Rosario Fina and Cristian Salvaro finished in 2 hours, 18 seconds.

The German team of Christian Meyer, Uwe Peschel, Michael Rich and Andreas Walzer was timed in 2:01:40.7, while the Swiss foursome of Roman Jeker, Beat Meister, Markus Kennel and Roland Meier clocked 2:02:47.1.

Russia's Olga Sokolova, Svetlana Bubenkova, Alexandra Kollisova and Valentina Poljanova led the whole way in the 50K and finished in 1 hour, 6 minutes, 31.6 seconds.

The Americans, with Jan Boland dropping out 15 kilometers into the race, finished in 1:09:32.2,



Gianfranco Contri, left, and Rosario Fina lead the Italian charge to the finish that beat Germany in the men's 100-kilometer team trial.

just 2.5 seconds ahead of Italy's foursome of Roberto Bonanomi, Alessandro Capellotto, Michela Fanini and Fabiana Luperini.

The two-week championships began last week with track events in Hamar, Norway. This weekend the professionals will take to the road.

It was announced that Britain will stage the 1996 world track championships on the velodrome being built in Manchester as part of the city's bid for the 2000 Olympics.

The 1996 road championships will be staged in Monaco in line with the Union Cycliste International's new policy of splitting the road and track championships.

(AP, Reuters)

Denmark Rout Lithuania, Moves Up in World Cup Qualifying

Compiled by Our Staff From Dispatches

COPENHAGEN — Team captain Lars Olsen, forwards Frank Pingel and Brian Laudrup and midfielder Kim Vilfort gave European champion Denmark a 4-0 victory Wednesday over Lithuania in a European Group 3 qualifying match for the 1994 World Cup.

The victory moved Denmark into second place in the group standings with 14 points, just one behind Ireland. Spain is third with

12 points and Northern Ireland is fourth with 10. All four teams have played nine matches.

The top two teams in the seven-team group will advance to the World Cup finals in the United States next summer.

The group's finalists will probably be decided in mid-October, when Ireland plays Spain and Denmark meets Northern Ireland on Oct. 13, then Ireland plays North-

ern Ireland and Spain plays Denmark on Oct. 17.

Lithuania and the other two teams in the group, Latvia and Albania, are out of the running.

Olsen opened the scoring in the 12th minute, and Pingel made it 2-0 in the 41st. Then Brian Laudrup and Vilfort put the match well out of reach. Laudrup scoring in the 62d minute and Vilfort in the 71st.

Laudrup's older brother, FC Barcelona star Michael Laudrup,

who rejoined the national squad after a three-year voluntary absence, failed to score. But he gave Denmark several good chances to increase the score.

• Dutch striker Marco van Basten should be fit to play for AC Milan again before the end of the year, his surgeon said Wednesday.

"We noticed a definite improvement today," Professor Marc Martens said after examining the player

at his clinic in Antwerp. "He has recovered quite well from the surgery."

Van Basten, who missed most of last season, has had two operations on his troublesome right ankle, the most recent in early June.

Asked if van Basten would be able to play this season, Martens said: "Sure, he will be ready before the New Year."

(AP, Reuters, AFP)

SIDELINES

2 Ukrainian Olympic Winners Banned

KIEV (Reuters) — Olympic gold medalist Tatiana Dorovskikh and Lyudmila Dzhigalova were banned Wednesday for four years by the Ukrainian Athletic Federation for using anabolic steroids.

Dorovskikh, 32, was a gold medalist in the 4 x 400-meter relay in Barcelona. The federation's president, Yuri Tamasov, said Dzhigalova's sample showed two different types of steroids.

For the Record

The major league owners' representatives and those of the players were to meet Thursday to discuss differing proposals for expanded playoffs, but Eugene Orza, the players' associate general counsel said "I would characterize the meeting as preliminary in scope."

(AP)

The Grand National fiasco last year can be prevented from recurring by a new starting gate, two flagmen and a "stop man" in a car instead of electronic devices, a working group from the British racing industry recommended.

(Reuters)

Raymond Russell of Scotland shot 4-under-par 67 for the first-round lead at the 93d U.S. Amateur Golf Championship in Houston.

(AP)

Christian Okoye, the 260-pound Nigerian who led the NFL in rushing four years ago and is the Kansas City Chiefs' career leader, was put on injured reserve with a knee injury. He will miss the entire season and probably won't fit in with the team's new offense, the Chiefs said.

(AP)

DENNIS THE MENACE



JUMBLE — THAT SCRAMBLED WORD GAME

Use the letters in the word below to form a new word. Write your answer in the box.

DUHM

THRM

REFUGI

YELDE

What the newlywed music lovers flipped each other.

How strange his official letters to his friends.

Name: _____

Answers: How the Englishman described the wife's dress — "DUMPTON"

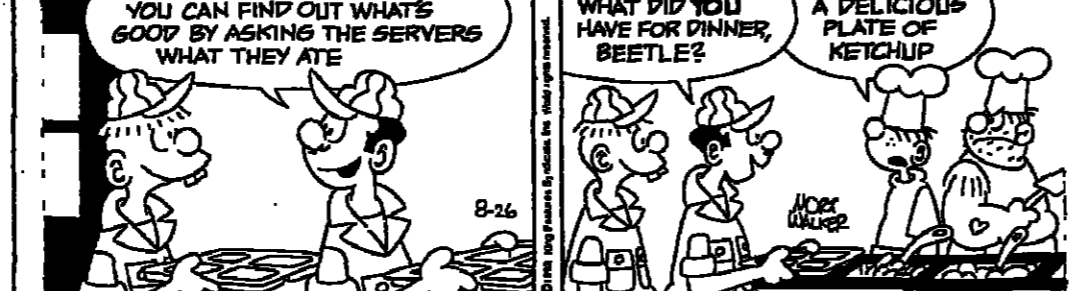
PEANUTS



BLONDIE



BEETLE BAILEY



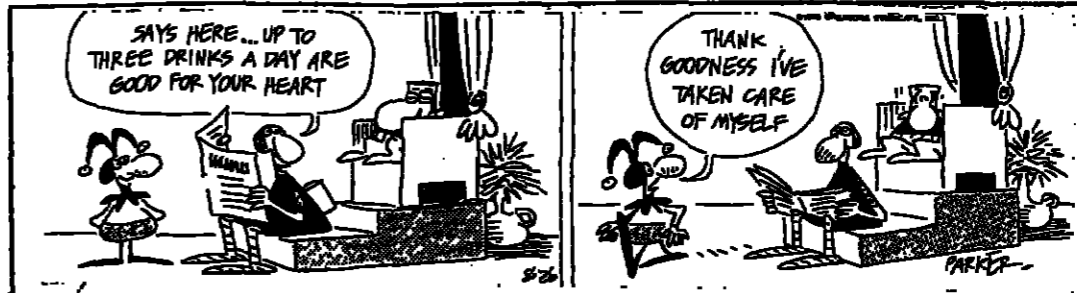
DOONESBURY



CALVIN AND HOBBES



WIZARD of ID



REF MORGAN



GARFIELD



To our readers in Germany

If a travel agent is unable to order for you, please call our Frankfurt office.

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ART BUCHWALD

Vineyard Media Frenzy

MARTHA'S VINEYARD, Massachusetts—Although I am one of the frenzied media types, I did not hang out with them to the president came to Martha's Vineyard for his vacation. It was fun to see my pals in action again. Despite the fact that I make my residence in Washington 10 months a year and spend only two months on the Vineyard, they treated me like an island native—some weird primitive beast who lives in the Amazon rain forest. One reporter I know quite well asked me, "What do you people eat?" I told him, "Buchwald 'Tree bark soup and snails.' He didn't know if I meant it or not. He wrote it down. "How do your women carry their water?" "On their heads. They go to the well twice a day," I assured him. "Tell me about the social life." "We are very simple people. We catch a bear, roast it over the fire and sprinkle salt on it. Salt is something none of us on the Vineyard can do without."



Art Buchwald

'Annie' Sequel Breaks Record

United Press International NEW YORK—'Annie Warbucks,' the musical sequel to 'Annie,' is breaking off-Broadway box-office records. The show took in \$102,000 last week at the Variety Arts Theatre—a record for any off-Broadway show—and is virtually sold out for September. Top tickets go for \$47.50, considerably less than the average of \$60 to \$65 a ticket for Broadway musicals. The original show ran on Broadway from 1977 to 1983 and earned \$30 million. The first attempt at a sequel, 'Annie 2: Miss Hannigan's Revenge,' cost \$7 million and closed in Washington to negative reviews in 1990. That hard-luck sequel was abandoned by its producers and with much rewriting evolved into the new \$5.5 million show produced by Karen Walker Goodwin.

Montreal Museum Is a Laughing Matter

By William Grimes

NEW YORK TIMES SERVICE MONTREAL—In the beginning was the joke. And verily, it was a knee-slapper. As told at the inaugural exhibition of Montreal's newest cultural institution, the International Museum of Humor, low-forehead man emits his first laugh when a bored Neanderthal drops a stone on the head of a sleeping buddy. The rest of the clan watches, curious, then doubles over with laughter when the butt of the joke howls with pain and rubs his bleeding head. You had to be there. Since early April, when the humor museum opened its doors and stationed Keystone Kops in the lobby, the curious and humor-inclined have followed a historical trail that leads from cave man onward. The free-flow journey is organized around evocative settings that include a medieval court, in which visitors are tamed in French and English by a jester, and a wacked-out 1950s kitchen, a kind of psychic projection in which old television series can be watched in a washing machine, a refrigerator and a toaster. In a 16th-century Venetian piazza, visitors watch a film clip of Colombino, two Italian clowns in trash cans, who carry on the tradition of the commedia dell'arte. "We wanted to tell a story that spans 2,000 years," said Pasquale L. Iacobacci, the director of the museum. "We wanted to visit genres that began in the Old World and follow them through the ages, and to show a connection between masks and characters that evolved through the years, from the jester to the characters of the commedia dell'arte to the modern clown."



David Szwarc/ART

The museum, part of the city's attempt to corner the world market in humor, grew out of Montreal's annual Just for Laughs Festival, founded by Gilbert Rozon, a rock 'n' roll promoter. Rozon decided that humor needed more than a two-week party every year. Documents and artifacts needed a home. Scholars needed a library and information base. In 1989, Rozon floated the idea and assembled a board. The national, provincial and city governments put up about two-thirds of the 21 million Canadian dollars (about \$16 million) needed to create the museum. The rest came from a mortgage on the museum building (a former brewery on Boulevard St-Laurent) and from private donations. Until the building began to take shape at the end of last year, the museum seemed a baffling concept to people in the entertainment industry and to the holders of rights to material that the museum covets for its exhibitions. Donors have been slow to contribute artifacts, and the museum cannot afford to pay the going rate for rights to such classic comedic material as "I Love Lucy" episodes and many of Charlie Chaplin's films, which accounts for gaps in the narrative line of its opening exhibition. On the other hand, the concept of the humor museum fits right in with the cur-

rent vogue for single-subject museums and the emphasis on creating an experience rather than presenting artifacts with explanatory wall text. Recent models were the Museum of Peace in Caen, France, devoted to the Normandy invasion, and the Museum of the Moving Image in London, which takes visitors on a multimedia tour of film history. "We try to mesh together documentation and setting so visitors will come out with their own perceptions," said Iacobacci. "We are trying to bring a message without directing what the message is." The message is not all that encouraging about the possibilities for intellectual growth in Homo sapiens. By 1995, many millennia after the rock-on-the-head gag, the Lumiere brothers of France created the first narrative film, a 30-second joke called "The Gardener Gets Watered," which is screened continuously against one wall of a room filled with dozens of yellow rubber raincoats suspended from the ceiling. The plot? A practical joker steps on a garden hose, wais for the gardener to stare into the nozzle, and then lifts his foot. You had to be there. "Laughing Matters: Humor Through the Ages," scheduled to run through the end of the year, will give way to other

exhibits that tell other stories about the experience of humor. Meanwhile, the museum is using its 250-seat cabaret theater to present new comics and to hold seminars. Iacobacci said that he wanted to present unfamiliar forms of humor. He is eager to create an exhibition devoted to Mexico's Day of the Dead, and the Linares family of Mexico City, impresarios of the event. The correlation between death and humor is not one that Canadians or Americans would make, Iacobacci said, pointing out: "In Mexico, they play with death, even the children, who get sugar candies of skeletons with scythes. It's not very morbid, it's actually quite pleasant; a kind of carnival." The humor of Islam, or lack of it, also fascinates Iacobacci. He sees historical similarities between Spain under the Inquisition and some modern Middle Eastern countries in which the concept of making a joke about serious matters is more or less unknown. Perhaps an exchange program can be developed, making use of the museum's School of Humor, where trained professionals can instruct novitiates in the fine points of the banana peel, the joy buzzer and the squirting daisy.

Baring all: The Duchess of York is finally talking about her relationship with John Bryan, her Texan "financial adviser" who was photographed last year nibbling the topless royal's toes in the south of France. In an interview with Maria Striver for NBC, she described Bryan as "a brother, really." She said she asked her husband, Prince Andrew, whether he minded Bryan's accompanying her on a vacation trip with her children, Beatrice and Eugenie, and Andrew, from whom she has split, replied, "No. Great! Have a great time. John is very good with the girls." The former Sarah Ferguson said she went into therapy after the vacation photographs were published. Bob Hope's family wants to say thanks for the memories and is trying to find a site for a museum of the 90-year-old entertainer's career. He spent his moments, including 54 honorary doctorates, in a room at his home and in a warehouse. Marion Brando has sued a film company and producer, alleging that a \$1 million check he was paid for agreeing to appear in a film, "Treasure Island: The Musical," bounced at the bank. The Marquess of Blandford was fined £1,000 (\$1,500) in a London court Wednesday for not paying tax on his income. The future Duke of Marlborough has previous convictions for drunken driving and drug abuse. The marquess, whose wife has left him and whose father has all but disowned him, arrived at court on foot.

INTERNATIONAL CLASSIFIED Appears on Pages 4 & 13

WEATHER

Weather forecast for Friday through Sunday, as provided by Accu-Weather. Includes maps of Europe, Asia, Africa, North America, Middle East, and Latin America with temperature and precipitation data.

CROSSWORD

Crossword puzzle grid with clues for Across and Down. Includes a solution to the puzzle of Aug. 25.

If you're going to travel all over the map, here's how to call from almost any point on it.



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